



CITY OF HUGHSON  
**CITY COUNCIL MEETING**  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA

**AGENDA**  
**MONDAY, OCTOBER 27, 2014 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Matt Beekman

**ROLL CALL:** Mayor Matt Beekman  
Mayor Pro Tem Jeramy Young  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Harold Hill

**FLAG SALUTE:** Mayor Matt Beekman

**INVOCATION:**

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. PRESENTATIONS: NONE.**

**3. CONSENT CALENDAR:**

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1: Approve the Minutes of the Regular Meeting of October 13, 2014.
- 3.2: Approve the Warrants Register.
- 3.3: Approve the Treasurer's Report for September 2014.
- 3.4: Authorize the Closure of City Hall from December 24, 2014 through January 1, 2015.
- 3.5: Authorize the City Manager to Execute an Amendment to the Memorandum of Understanding with the Stanislaus Economic Development and Workforce Alliance.
- 3.6: Accept the Progress Report on the 2014 League of California Cities Annual Conference and Exposition.
- 3.7: Consider the Appointment of Tamara Thomas to the Parks and Recreation Commission.
- 3.8: Adopt Resolution No. 2014-33, authorizing the City Manager to execute and submit the City of Hughson Local Transportation Fund (LTF) Claim for Fiscal Year 2014/2015, in the amount of \$123,810 to the Stanislaus Council of Governments (StanCOG) as attached, and on behalf of the City of Hughson.

**4. UNFINISHED BUSINESS: NONE.**

**5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.**

**6. NEW BUSINESS:**

- 6.1: Discuss and Consider Direction to City Staff Regarding the Current Agricultural Lease Between the City of Hughson and Michael Noeller for Approximately Twelve (12) acres of City-owned Property Adjacent to the Waste Water Treatment Facility Along Leedom Road.

**7. CORRESPONDENCE:**

- 7.1: Update of the Hatch and Santa Fe Signal Project.
- 7.2: Planning Commission Agenda from October 21, 2014.
- 7.3: Economic Development Committee Agenda from October 27, 2014.

**8. COMMENTS:**

**8.1:** Staff Reports and Comments: (Information Only – No Action)

**City Manager:**

**City Clerk:**

**Community Development Director:**

**Director of Finance:**

**Police Services:**

**City Attorney:**

**8.2:** Council Comments: (Information Only – No Action)

**8.3:** Mayor’s Comments: (Information Only – No Action)

**9. CLOSED SESSION TO DISCUSS THE FOLLOWING: NONE.**

**10. REPORT FROM CLOSED SESSION: NONE.**

**ADJOURNMENT:**

**WAIVER WARNING**

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

**UPCOMING EVENTS:**

<b>October 31</b>	▪ Trunk, or Tent and Treat Event, LeBright Fields, 5:00-9:00pm 
<b>November 4</b>	▪ ELECTION DAY  <b>VOTE</b>
<b>November 10</b>	▪ City Council Meeting, City Council Chambers, 7:00 P.M.
<b>November 11</b>	▪ Veteran’s Day- City Hall Closed in Observance
<b>November 12</b>	▪ Parks & Recreation Commission Meeting, City Council Chambers, 6:00 P.M.
<b>November 15</b>	▪ United Samaritans Annual Legacy of Hope Event, St. Anthony’s Church
<b>November 18</b>	▪ Planning Commission Meeting, City Council Chambers, 6:00 P.M.
<b>November 22</b>	▪ Community Thanksgiving Dinner, Senior Community Center, 2-6:00 P.M.
<b>November 22-23</b>	▪ 20 <sup>th</sup> Century Club’s Arts & Crafts Faire, Hughson High School

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT**  
**NOTIFICATION FOR THE CITY OF HUGHSON**

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

**Disabled or Special needs Accommodation:** In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

**AFFIDAVIT OF POSTING**

**DATE:** October 24, 2014 **TIME:** 5:00pm

**NAME:** Dominique Spinale **TITLE:** City Clerk

**Notice Regarding Non-English Speakers:**

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

**General Information:** The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

**Council Agendas:** The City Council agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

**Questions:** Contact the City Clerk at (209) 883-4054



## **CITY OF HUGHSON AGENDA ITEM NO. 3.1 SECTION 3: CONSENT CALENDAR**

**Meeting Date:** October 27, 2014  
**Subject:** Approval of the City Council Minutes  
**Presented By:** Dominique Spinale, Assistant to the CM/City Clerk

**Approved By:** \_\_\_\_\_

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### **Staff Recommendation:**

Approve the Regular Meeting Minutes of October 13, 2014 session.

### **Background and Overview:**

The draft minutes of the October 13, 2014 meetings are prepared for the Council's review.



**CITY OF HUGHSON  
CITY COUNCIL MEETING  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA**

**AGENDA  
MONDAY, OCTOBER 13, 2014 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Matt Beekman

**ROLL CALL:**

**Present:** Mayor Matt Beekman  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Harold Hill

**Absent:** Mayor Pro Tem Jeramy Young

**Staff Present:** Raul L. Mendez, City Manager  
Daniel J. Schroeder, City Attorney  
Darin Gharat, Chief of Police Services  
Jaylen French, Community Development Director  
Dominique Spinale, Assistant to the City Manager/City Clerk  
John Padilla, City Treasurer  
Lisa Whiteside, Finance Manager  
Sam Rush, Public Works Superintendent

**FLAG SALUTE:** Mayor Matt Beekman

**INVOCATION:** Mayor Matt Beekman

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

**No Public Comments.**

**2. PRESENTATIONS:**

**2.1:** The New Command Vehicle – Jeff Serpa, Hughson Fire.

**Jeff Serpa, with Fire Chief Scott Berner, presented a PowerPoint presentation on the new command vehicle that was purchased through a partnership of funding from the Hughson Fire District and the City of Hughson.**

**ADJOURN TO A SHORT RECESS TO TOUR THE NEW COMMAND VEHICLE IN CITY HALL PARKING LOT – 7:10 P.M.**

**RECONVENE TO THE CITY COUNCIL MEETING – 7:23 P.M.**

**3. CONSENT CALENDAR:**

**All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.**

**3.1:** Approve the Minutes of the Regular Meeting of September 22, 2014.

**3.2:** Approve the Warrants Register.

**3.3:** Approve the Treasurer's Reports for August 2014.

**3.4:** Approve the Request made by the Hughson Athletic Boosters to Have and Sell Alcohol at the Italian Nite Dinner Event, Located on Hughson Avenue on October 18, 2014.

**BEEKMAN/HILL 4-0 (YOUNG - Absent) motion passes to approve the Consent Calendar as presented.**

**4. UNFINISHED BUSINESS:**

**4.1:** Review and Discuss Enhanced Detail and Research on Potential Ongoing Maintenance Funding Options for the Future Proposed Seventh Street Park and Provide Direction to City Staff Regarding the Seventh Street Park Acquisition Project Including Authorizing the City Attorney to Finalize the Purchase Price Agreement and the City Manager to Execute the Agreement Consistent with the Land and Water Conservation Fund Grant Application.

**Director French presented the Staff Report on this Item. The Council deliberated on this Item, expressing ideas on how offset the impact of the maintenance costs to the General Fund.**

City Manager Mendez discussed with the Council the funds to be spent from the City's AB 1600 annual reporting, as Mayor Beekman requested this information earlier in the week.

Councilmember Silva was in support of the Seventh Street Park Project because there is no parkland for the residents on that side of town.

Mayor Beekman advised that he could not support this project because he does not feel it is tangible enough and needs solid funding sources identified to help offset the costs that would impact the General Fund.

**SILVA/CARR 3-1(BEEKMAN - Nay, YOUNG - Absent) motion passes Authorizing the City Attorney to Finalize the Purchase Price Agreement and the City Manager to Execute the Agreement Consistent with the Land and Water Conservation Fund Grant Application.**

## **5. PUBLIC HEARING TO CONSIDER THE FOLLOWING:**

- 5.1: Consider the Adoption of Resolution No. 2014-32, approving the City of Hughson's Supplemental Law Enforcement Services Funds (SLESF) Expenditure Plan.

Chief Gharat presented the Staff Report on this item and discussed the changes to this year's expenditure plan.

Mayor Beekman opened the Public Hearing at 8:10 P.M., and with no comments he closed the public hearing at 8:10 P.M.

**BEEKMAN/SILVA 4-0 (YOUNG - Absent) motion passes to Adopt Resolution No. 2014-32, approving the City of Hughson's Supplemental Law Enforcement Services Funds (SLESF) Expenditure Plan.**

## **6. NEW BUSINESS:**

- 6.1: Consider Resolution No. 2014-31, to allow the California Home Energy Renovation Opportunity (HERO) Program to Operate in the City of Hughson for the Purpose of Financing Residential and Commercial Energy and Water Efficiency Improvements; and Approve an Amendment to the Joint Powers Agreement (JPA) Related Thereto.

Director French presented the Staff Report on this Item. A representative from the HERO Program was present to answer any questions.

**CARR/HILL 4-0 (YOUNG – Absent) motion passes to adopt Resolution No. 2014-31, to allow the California Home Energy Renovation Opportunity (HERO) Program to Operate in the City of Hughson for the Purpose of Financing Residential and**

**Commercial Energy and Water Efficiency Improvements; and Approve an Amendment to the Joint Powers Agreement (JPA) Related Thereto.**

**6.2:** Approval to Direct Staff to Release a Request for Proposal (RFP), Interview and Select a Preferred Consultant and Negotiate a Contract for the Preparation of the City of Hughson Housing Element Update.

**Director French presented the Staff Report on this Item.**

**BEEKMAN/SILVA 4-0 (YOUNG – Absent) motion passes to Direct Staff to Release a Request for Proposal (RFP), Interview and Select a Preferred Consultant and Negotiate a Contract for the Preparation of the City of Hughson Housing Element Update.**

**6.3:** Authorize Staff to Bring Forth the Vacation of Fourth Street Right-of-Way (ROW) through the City Approval Process.

**Director French presented the Staff Report on this Item.**

**HILL/CARR 4-0 (YOUNG – Absent) motion passes to Authorize Staff to Bring Forth the Vacation of Fourth Street Right-of-Way (ROW) through the City Approval Process.**

**7. CORRESPONDENCE: NONE.**

**8. COMMENTS:**

**8.1:** Staff Reports and Comments: (Information Only – No Action)

**City Manager:** City Manager Mendez updated the Council on the Italian Nite Event on October 18 and the Harvest of Promise Event on October 25.

**City Clerk:** City Clerk Spinale updated the Council on the Income Survey being conducted to possibly help the City qualify for grant funding through the State for the Well No. 9 Improvements Project.

**Community Development Director:** Director French updated the Council on Stanislaus County’s Public Works Hatch and Santa Fe Signal Project, the Feather Glen Subdivision, and the 5<sup>th</sup> Street Project.

**Director of Finance:**

**Police Services:**

**City Attorney:**

**8.2:** Council Comments: (Information Only – No Action)

**Councilmember Carr updated the Council on the Trunk or Tent and Treat Event on October 31 and that there will be a high school football that evening.**

**Councilmember Silva updated the Council on her attendance at the San Joaquin Valley Air Pollution Control District meeting.**

**Councilmember Hill updated the Council on his attendance at the EDAC and Fire 2+2 Subcommittee meetings, as well as at the Chamber of Commerce Mixer.**

**8.3:** Mayor's Comments: (Information Only – No Action)

**Mayor Beekman updated the Council on his attendance at the LAFCO meeting, and that he will be attending the CALAFCO meeting in Ontario later this week. He also thanked the Fire Department for their presentation.**

**9. CLOSED SESSION TO DISCUSS THE FOLLOWING: NONE.**

**10. REPORT FROM CLOSED SESSION: NONE.**

**ADJOURNMENT:**

**BEEKMAN/CARR motion passes to adjourn the meeting at 8:45 P.M.**

\_\_\_\_\_  
**MATT BEEKMAN, Mayor**

\_\_\_\_\_  
**DOMINIQUE SPINALE, City Clerk**



## CITY OF HUGHSON AGENDA ITEM NO. 3.2

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** October 27, 2014  
**Subject:** Approval of Warrants Register  
**Enclosure:** Warrants Register  
**Presented By:** Lisa Whiteside, Finance Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Approve the Warrants Register as presented.

#### **Background and Overview:**

The warrants register presented to the City Council is a listing of all expenditures paid from October 10 through October 21, 2014.

#### **Fiscal Impact:**

There are reductions in various funds for payment of expenses.

REPORT.: Oct 21 14 Tuesday  
 RUN.....: Oct 21 14 Time: 16:43  
 Run By.: KATHY DAHLIN

City of Hughson  
 Cash Disbursement Detail Report  
 Check Listing for 10-14 Bank Account.: 0100

PAGE: 001  
 ID #: PY-DP  
 CTL.: HUG

*LW*

Check Number	Check Date	Vendor Number	Name	Net Amount	-----Payment Information-----	
					Invoice #	Description
45699	10/10/2014	\RO14	RAYA, DANIEL	\$ 138.50	B41010	MQ DEPOSIT REFUND
45700	10/15/2014	EMP01	STATE OF CALIFORNIA	\$ 1,315.11	B41015	PAYROLL 10/15
45701	10/15/2014	HAR02	THE HARTFORD	\$ 454.66	B41015	DEFERRED COMPENSATION
45702	10/15/2014	PER01	P.E.R.S.	\$ 8,385.21	B41015	RETIREMENT
45703	10/15/2014	STA23	CaIPERS SUPPLEMENTAL INCO	\$ 370.00	B41015	DEFERRED COMPENSATION
45704	10/15/2014	UNI07	UNITED WAY OF STANISLAUS	\$ 2.00	B41015	UNITED WAY
45705	10/17/2014	ARR00	ARROWHEAD MOUNTAIN SPRING	\$ 36.68	14J002566	BOTTLED WATER
45706	10/17/2014	ATT01	AT&T	\$ 2,746.32	B41017	PHONE
45707	10/17/2014	AVA00	AVAYA, INC	\$ 72.74	273321970	PHONE POLICE DEPT
45708	10/17/2014	CLA03	CLARK'S PEST CONTROL	\$ 102.00 \$ 57.00	16144012 16169346	PEST CONTROL PEST CONTROL
			Check Total:	\$ 159.00		
45709	10/17/2014	DEP08	DEPT. OF CONSERVATION	\$ 427.82	B41015	SMIP FEE 3RD QTR 2014
45710	10/17/2014	GEO01	GEOANALYTICAL LABORATORIE	\$ 55.00 \$ 30.00 \$ 150.00 \$ 55.00 \$ 55.00 \$ 30.00 \$ 30.00 \$ 55.00 \$ 30.00 \$ 30.00 \$ 30.00 \$ 55.00 \$ 30.00	A410202 A410203 A410901 A411601 A412301 A412302 A413001 A413002 A4H2601 A4J0702 A4J0703	WWTP TESTING WATER TESTING WWTP TESTING WWTP TESTING WWTP TESTING WATER TESTING WWTP TESTING WATER TESTING WATER TESTING WWTP TESTING WATER TESTING
			Check Total:	\$ 575.00		
45711	10/17/2014	GIB00	GIBBS MAINTENANCE CO	\$ 1,830.00	16855	JANITOR SERVICES 9/14
45712	10/17/2014	GRO01	FERGUSON ENTERISES, INC 1	\$ 91.48	0997612-1	WATER BOX LID
45713	10/17/2014	GUZ04	GUZMAN, ANGIE	\$ 17.00	B41015	REFUND PARTIAL PARK RENTAL 9/21/14
45714	10/17/2014	HUG11	HUGHSON FARM SUPPLY	\$ 18.77 \$ 93.57 \$ 46.29	H111620 H112780 H114160	BRUSH, SQUEEGEE SUPPLIES TO REPAINT GENERATOR SUPPLIES TO PAINT GENERATORS AT WELL SITES
			Check Total:	\$ 261.80		
45715	10/17/2014	HUG28	HUGHSON TIRE	\$ 50.00	625453	TIRE REPAIR
45716	10/17/2014	LEG01	LEGAL SHIELD	\$ 51.80	B41015	LEGAL SVCS

45717	10/17/2014	MEN20	MENDEZ, RAUL	\$	512.00	B41015	REMB FOR EXPENSES FOR HARVEST FESTIVAL
45718	10/17/2014	ORT10	ORTIZ, YOANA	\$	175.00	B41015	REFUND DAMAGE & KEY DEPOSIT 10/4/14
45719	10/17/2014	POS01	POSTAGE BY PHONE	\$	700.00	B41015	DEPOSIT TO RESERVE ACCOUNT
45720	10/17/2014	QUI03	QUICK N SAVE	\$	18.17	1-4033	DIESEL
				\$	57.20	1-3992A	DIESEL
			Check Total:	\$	75.37		
45721	10/17/2014	REG00	REGIONAL GOVERNMENT SERVI	\$	2,679.58	4440	CONTRACT SERVICES
45722	10/17/2014	SAF01	SAFETLITE	\$	290.59	308808	PW CORP YARD SIGN
45723	10/17/2014	SHO02	SHORE CHEMICAL COMPANY	\$	1,341.09	41002	CHLORINE
45724	10/17/2014	SHR02	SHRED-IT CENTRAL CA	\$	129.34	940431866	SHREDDING
45725	10/17/2014	STA02	STAPLES	\$	15.38	32538	OVERSIZED LAM & ENGINEERING
				\$	15.49	63161	CARD STOCK
			Check Total:	\$	30.87		
45726	10/17/2014	UNI11	UNIVAR USA, INC	\$	529.60	SJ642689	CHLORINE
				\$	512.79	SJ645545	CHLORINE
				\$	512.79	SJ647669	CHLORINE
			Check Total:	\$	1,555.18		
45727	10/17/2014	UNU01	UNUM LIFE INSURANCE CO.	\$	1,071.60	B41017	LIFE INSURANCE WITHHOLDIN
45728	10/17/2014	USA01	USA BLUE BOOK	\$	205.44	416720	PVC PARTS
				\$	(61.89)	514218C	RETURN
			Check Total:	\$	143.55		
45729	10/17/2014	VEL01	VELAZQUEZ, JAIME	\$	210.00	B41015	REFUND DAMAGE & KEY DEPOSIT 10/11/14
45730	10/17/2014	WES16	WESTPHAL, JIM	\$	210.00	B41015	REFUND DAMAGE & KEY DEPOSIT
45731	10/21/2014	ABS00	ABS PRESORT	\$	897.92	95481	PRINTING OF UTILITY BILL & ARSENIC NOTIF 10/14
45732	10/21/2014	AFL01	AFLAC	\$	1,000.68	10567	AFLAC
45733	10/21/2014	AVA00	AVAYA, INC	\$	92.57	273327175	PHONE CITY HALL
45734	10/21/2014	BLU00	BLUE SHIELD	\$	12,887.00	142880025	HEALTH PREMIUMS 11/2014
45735	10/21/2014	BOR01	BOREZ, BEVERLY	\$	210.00	B41020	REFUND DAMAGE/KEY DEPOSIT 10/18/14
45736	10/21/2014	CEN14	CENTRAL JANITOR'S SUPPLY	\$	176.40	555973	CLEANING & SANITARY SUPPLIES
45737	10/21/2014	ENV02	ENVIRONMENTAL SYSTEMS	\$	1,788.93	26969	STREET SWEEPING 10/2014
45738	10/21/2014	EXPO0	EXPRESS PERSONNEL SERVICE	\$	1,132.40	147630578	EXTRA HELP 9/28/14
				\$	1,025.12	148070329	EXTRA HELP 10/8/14
			Check Total:	\$	2,157.52		
45739	10/21/2014	HUG08	CITY OF HUGHSON	\$	1,746.20	B41020	LLD WATER SERVICE

45740	10/21/2014	KUB00	KUBWATER RESOURCES, INC	\$	2,448.63	4347	POLYMER
45741	10/21/2014	MCR01	MCR ENGINEERING, INC	\$	19,039.40	10486	ENGINEERING SVCS 9/14
45742	10/21/2014	OFF06	OFFICE TEAM	\$	489.72	41427602	EXTRA HELP 10/3
				\$	731.62	41477449	EXTRA HELP 10/10
			Check Total:	\$	1,221.34		
45743	10/21/2014	PAC05	PACIFIC PLAN REVIEW	\$	7,553.87	B41021	CONTRACT SRVCS PLANNING/B
45744	10/21/2014	PIT02	PITNEY BOWES, INC	\$	140.86	550576913	RED INK POSTAGE MACHINE
45745	10/21/2014	RIC04	RICOH USA, INC	\$	2,397.38	93395291	COPIER LEASE
45746	10/21/2014	WIL01	CORBIN WILLITS SYSTEM	\$	571.40	B410151	ENHANCEMENT & SERVICE FEES
			Cash Account Total:	\$	80,439.39		
			Total Disbursements:	\$	80,439.39		
					=====		



## CITY OF HUGHSON AGENDA ITEM NO. 3.3

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** October 27, 2014  
**Subject:** Approval of the Treasurer's Report – September 2014  
**Presented By:** John Padilla, City Treasurer

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Review and approve the City of Hughson Treasurer's Report for September 2014.

#### **Summary:**

The City Treasurer is required to review the City's investment practices and approve the monthly Treasurer's report. Enclosed is the City of Hughson's Treasurer's Report for September 2014. As of September 2014, the City of Hughson's total cash and investment balance is \$10,846,061.31 and is in compliance with the City's investment policy. The City has sufficient cash flow to meet the City's expected expenditures for the next six months.

#### **Background and Overview:**

The Treasurer report for September 2014 reflects the most current representation of the City's funds and investments and provides a necessary outlook for both past, present, and future investment and spending habits. While investments and funds differ from time to time, it is the goal of the City to maintain safety and stability with its funds, while additionally promoting prudence and growth.

Enclosed is the City of Hughson Treasurer's Report for September 2014 along with supplementary graphs depicting the percentage of the City's total funds, a breakdown of the September 2014 Developer Impact Fees, and an additional line plot graph further demonstrating the Developer Impact Fees. This graph depicts the Developer Impact Fees' actual balance for the past five years, and continues with a projection based on the average rate of change for each fund over the next few years. After review and evaluation of the report, City staff has researched funds with a significant deficit balance and submit the following detailed explanation:

### ***Public Facilities Development Streets Fund:***

The Public Facilities Development Streets Fund currently reflects a negative balance of (\$461,068.61), reflecting a positive difference of \$146,543.72 or a 24.12% increase from the previous year. The deficit is a result of the Euclid Bridge Project, which was constructed in Fiscal Year 2006/2007, for approximately \$1.3 million. The project was completed in anticipation of funding from Developer Impact Fees collected from new development. Unfortunately, the housing market declined significantly and the new development never materialized. Once the economy strengthens and new building starts again, the City can recognize additional developer impact fees and reduce the deficit more quickly.

### ***Water Developer Impact Fee Fund:***

The Water Developer Impact Fee Fund currently reflects a negative balance of (\$504,074.23), reflecting a positive difference of \$50,854.70 or a 9.16% increase from the previous year. After extensive review, City staff discovered that the remaining deficit is attributable to settlement arrangements that were made in Fiscal Year 2008/2009 and Fiscal Year 2009/2010 for the Water Tank on Fox Road near Charles Street. During that period, the City paid out \$650,000 in settlements. This account will be in a deficit position until additional development occurs and developer impact fees are collected to cover those costs.

Based on a staff review of 2012 Water Development and Street funds, the City would need development in the Feathers Glen (42 units) and Euclid South (69 units) subdivisions, or about 110 units to be built to see a positive balance in the Water and Street Development funds. These units reflect the areas that are most likely to see development. There are currently 19 units being developed in the Fontana Ranch North subdivision.

### ***Transportation Capital Project and CDBG Public Works Street Projects Fund:***

The Transportation Capital Project Fund currently reflects a negative balance of (\$316,159.50), reflecting a positive difference of \$128,142.79 or a 28.84% increase from the previous year. The CDBG Public Works Street Project Fund currently reflects a negative balance of (\$87,381.74), reflecting negative difference of (\$26,737.50) or a 44.09% decrease from the previous year. The City currently has 4<sup>th</sup> and 5<sup>th</sup> Street projects that are complete and awaiting reimbursement from CMAQ and CDBG funds.

### ***Fiscal Impact:***

As of September 2014, the total cash and investments balance for the City of Hughson is \$10,846,061.31. This compares to September 2013's total cash and investments balance of \$9,015,324.84, demonstrating a \$1,830,736.47 or a 20.31% increase.

**City of Hughson  
Treasurer's Report  
September 2014**

	<b>MONEY MARKET</b>	<b>GENERAL</b>	<b>REDEVELOPMENT **</b>	<b>TOTAL</b>
Bank Statement Totals	\$ 7,328,765.48	\$ 967,256.38	\$ 206,392.68	\$ 8,502,414.54
Adjustment-Direct Deposit Payroll	\$ -			\$ -
Outstanding Deposits +	\$ (59,422.34)	\$ -	\$ -	\$ (59,422.34)
Outstanding Checks/transfers -	\$ -	\$ (119,695.08)	\$ -	\$ (119,695.08)
<b>ADJUSTED TOTAL</b>	<b>\$ 7,269,343.14</b>	<b>\$ 847,561.30</b>	<b>\$ 206,392.68</b>	<b>\$ 8,323,297.12</b>
Investments: Various				\$ 1,017,787.95
California Bank Trust				\$ -
Multi-Bank WWTP				\$ 1,426,359.86
Investments: L.A.I.F.		\$ 39,370.79	\$ 39,245.59	\$ 78,616.38

**TOTAL CASH & INVESTMENTS** **\$ 10,846,061.31**

<b>Books - All Funds</b>	<b>September 2013</b>	<b>September 2014</b>	<b>Difference</b>
2 Water/Sewer Deposit	32,854.06	37,484.38	4,630.32
4 Sale of Vehicle	0.00	0.00	0.00
5 AB939 Source Reduction	0.00	2,396.28	2,396.28
7 Public Safety Augmentation	0.00	0.00	0.00
8 Vehicle Abatement	7,317.85	16,058.51	8,740.66
11 Traffic Congestion Fund	42,734.54	98,457.56	55,723.02
13 Redevelopment - Debt Service	-39,585.92	9,483.49	49,069.41
14 Redevelopment - Housing	0.00	0.00	0.00
15 Redevelopment - Capital Projects	0.00	0.00	0.00
17 Federal Officer Grant	6,620.00	6,620.00	0.00
18 Public Safety Realignment	8,328.63	32,351.76	24,023.13
19 Asset Forfeiture	6,695.43	6,995.43	300.00
25 Gas Tax 2106	2,491.76	-12,056.03	-14,547.79
30 Gas Tax 2107	6,624.45	19,728.65	13,104.20
31 Gas Tax 2105	-2,027.98	26,859.19	28,887.17
35 Gas Tax 2107.5	9,172.14	3,672.14	-5,500.00
40 General Fund	555,326.79	839,716.16	284,389.37
401 General Fund Contingency Reserve	671,603.83	672,995.41	1,391.58
43 Trench Cut	70,676.80	75,611.40	4,934.60
48 Senior Community Center	9,132.45	8,454.11	-678.34
49 IT Reserve	46,579.29	50,856.40	4,277.11
50 U.S.F. Resource Com. Center	-2,191.54	-38.13	2,153.41
51 Self-Insurance	87,032.49	73,703.49	-13,329.00
52 CLEEP(California Law Enforcement Equi	0.00	0.00	0.00
53 SLESF (Supplemental Law Enforcement	113,953.80	-9,802.76	-123,756.56
54 Park Project	400,087.58	472,268.83	72,181.25
60 Sewer O & M	1,171,340.59	2,714,101.89	1,542,761.30
61 Sewer Fixed Asset Replacement	2,090,494.54	2,333,686.67	243,192.13
66 WWTP Expansion 2008	1,264,555.00	2,610.06	-1,261,944.94
70 Local Transportation	148,430.38	205,632.02	57,201.64
71 Transportation	-444,302.29	-316,159.50	128,142.79
LLD's and BAD's	30,346.69	88,775.41	58,428.72
80 Water O & M	75,299.92	307,078.25	231,778.33
82 Water Fixed Asset Replacement	408,887.92	519,711.88	110,823.96
88 PW CDBG Street Project	-60,644.24	-87,381.74	-26,737.50
80 Water Reserve-USDA GRANT	21,524.50	21,524.50	0.00
90 Garbage/Refuse	60,372.78	118,744.16	58,371.38
91 Misc. Grants	0.00	0.00	0.00
92 98-EDBG-605 Small Bus. Loans	93,585.12	93,595.60	10.48
94 96-EDBG-438 Grant	403.43	403.43	0.00
95 94-STBG-799 Grant	157,606.25	158,756.03	1,149.78
96 HOME Program Grant (FTHB)	35,041.19	35,041.19	0.00
97 96-STBG-1013 Grant	131,659.15	138,106.78	6,447.63
98 HOME Rehabilitation Fund	0.00	40,000.00	40,000.00
Developer Impact Fees ***	1,797,297.46	2,040,018.41	242,720.95
<b>TOTAL ALL FUNDS:</b>	<b>9,015,324.84</b>	<b>10,846,061.31</b>	<b>1,830,736.47</b>
<b>Break Down of Impact Fees ***</b>			
10 Storm Drain	194,932.86	273,243.36	78,310.50
20 Community Enhancement	64,639.77	72,964.85	8,325.08
41 Public Facilities Development	1,504,089.62	1,347,356.88	-156,732.74
42 Public Facilities Development-Streets	-607,612.33	-461,068.61	146,543.72
55 Parks DIF	267,080.11	378,166.78	111,086.67
62 Sewer Developer Impact Fees	929,096.36	933,429.38	4,333.02
81 Water Developer Impact Fees	-554,928.93	-504,074.23	50,854.70
<b>Break Down of Impact Fees ***</b>	<b>1,797,297.46</b>	<b>2,040,018.41</b>	<b>242,720.95</b>

I hereby certify that the investment activity for this reporting period conforms with the Investment Policy adopted by the Hughson City Council, and the California Government Code Section 53601. I also certify that there are adequate funds available to meet the City of Hughson's budgeted and actual expenditures for the next six months.

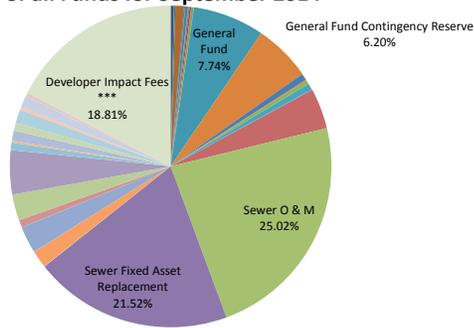
John Padilla, Treasurer

Date

Treasurer's Report - Charts and Graphs  
September 2014

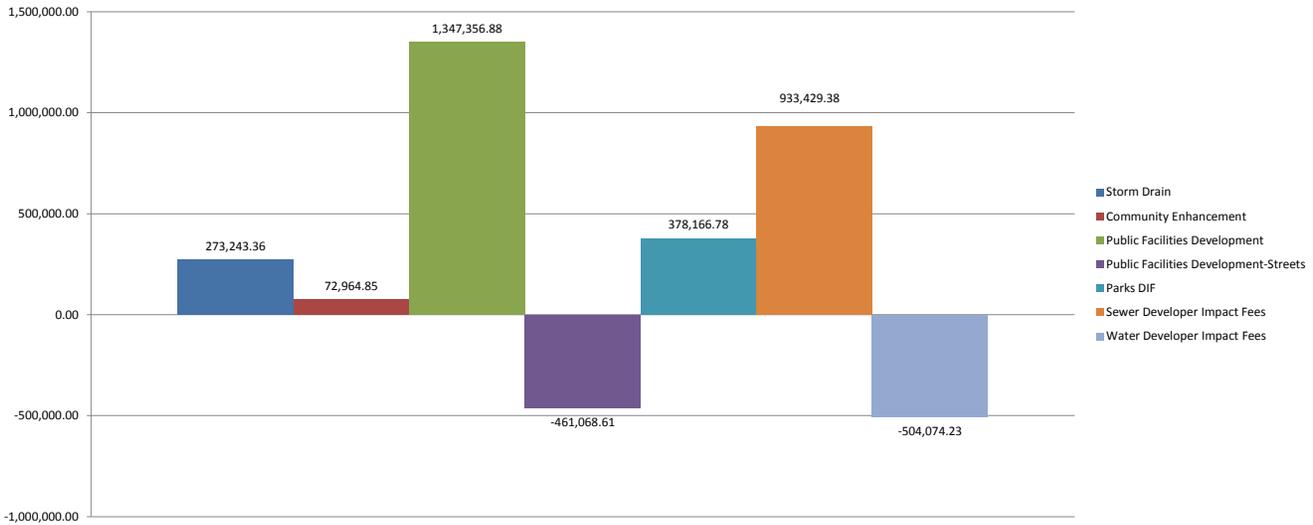
Percentage of all Funds for September 2014

Note:  
Data displayed represents largest percentage of City funds. All other funds represent less than 5% of the City's total Cash and Investments.

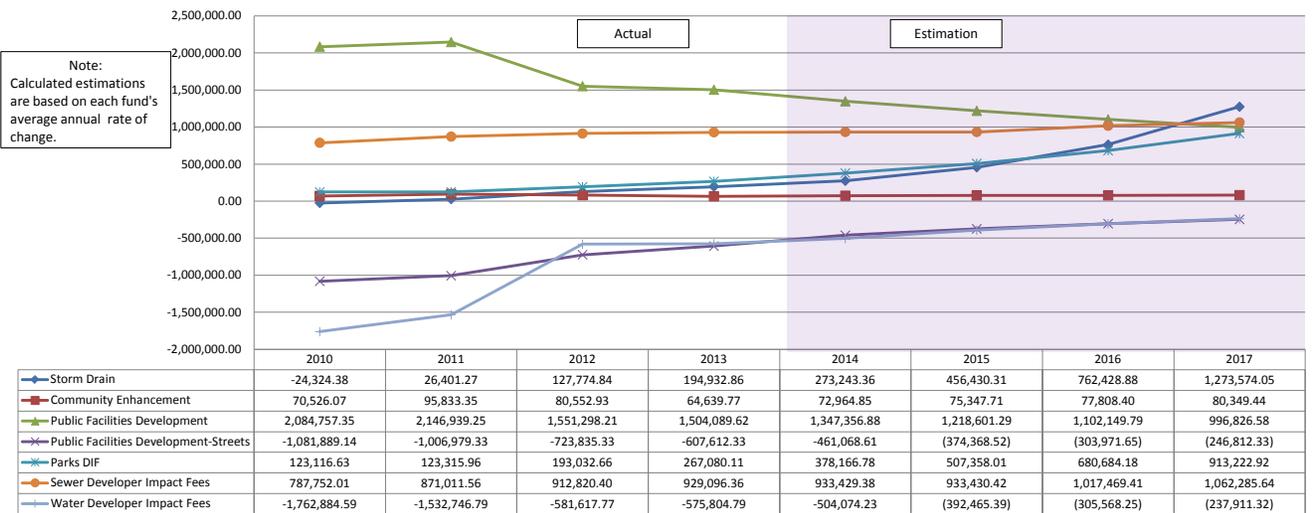


- Water/Sewer Deposit
- Vehicle Abatement
- Redevelopment - Capital Projects
- Gas Tax 2106
- General Fund
- IT Reserve
- SLESF (Supplemental Law Enforcement Services Fund)
- WWTP Expansion 2008
- Water O & M
- Garbage/Refuse
- 94-STBG-799 Grant
- Developer Impact Fees \*\*\*
- Sale of Vehicle
- Traffic Congestion Fund
- Federal Officer Grant
- Gas Tax 2107
- General Fund Contingency Reserve
- U.S.F. Resource Com. Center
- Park Project
- Local Transportation
- Water Fixed Asset Replacement
- Misc. Grants
- HOME Program Grant (FTHB)
- AB939 Source Reduction
- Redevelopment - Debt Service
- Public Safety Realignment
- Gas Tax 2105
- Trench Cut
- Self-Insurance
- Sewer O & M
- Transportation
- PW CDBG Street Project
- 98-EDBG-605 Small Bus. Loans
- 96-STBG-1013 Grant
- Public Safety Augmentation
- Redevelopment - Housing
- Asset Forfeiture
- Gas Tax 2107.5
- Senior Community Center
- CLEEP(California Law Enforcement Equipment Program)
- Sewer Fixed Asset Replacement
- LLD's and BAD's
- Water Reserve-USDA GRANT
- 96-EDBG-438 Grant
- HOME Rehabilitation Fund

September 2014 Breakdown of Developer Impact Fees



5 Year Trend & Estimate for Developer Impact Fees for the Month of September







## **CITY OF HUGHSON AGENDA ITEM NO. 3.4 SECTION 3: CONSENT CALENDAR**

**Meeting Date:** October 27, 2014  
**Subject:** Approval of City Hall Closure during the Holiday Period of December 24, 2014 through January 1, 2015.  
**Presented By:** Dominique Spinale, Assistant to the City Manager  
**Approved By:** \_\_\_\_\_

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### **Staff Recommendation:**

Authorize the closure of City Hall from December 24, 2014 through January 1, 2015.

### **Background and Overview:**

For the last three holiday seasons, the City Council has approved the closing of City Hall during the period of December 24 through January 1. The City annually observes December 25 and January 1 as regular holidays. The month of December is the slowest time of the year for City services and government offices in general. From past experience, office traffic is typically very slow during this week and building permit activity is nearly non-existent. Additionally, the closure during the holiday season allows City employees the opportunity to spend time with their families with minimal effects or consequences to the community.

### **Closure in Summary**

City Hall is already scheduled to be closed on Thursday, December 25 in observance of Christmas Day and January 1 for New Year's Day. With this proposal, City Hall would be closed five additional days including Wednesday, December 24 (Christmas Eve), Friday, December 26, and Monday December 29 through Wednesday December 31, 2014. City Hall is would open for business on Friday, January 2, 2015.

As practiced with past closures during the holiday season, City employees would be required to use vacation time or be on unpaid leave for the additional five days. Vacation time used by employees during this period helps to lower future vacation accrual liabilities.

Select Public Works staff would still be working and performing critical work tasks. Additionally, normal on call procedures would be followed in order to handle any emergencies that may occur during this time. The City Manager would also be

available during this time by phone or as needed to address any issues that may arise that warrant an immediate response.

### Preparation for Closure

Following approval of the closure for the upcoming holiday season, the City would have eight weeks to inform the community that City Hall will be closed. City staff would post an announcement of the closure in the November and December newsletter that is mailed to every utility bill customer at the beginning of the month, as well as post signs at City Hall and provide notifications on the City website and Facebook page. With adequate notice and outreach, community members will be made aware that the City will be closed and can make arrangements to take care of City business either before or after the closure.

City utility bills are currently due on the last business day of the month. With the office closure, the deadline for utility bills would be extended to Monday, January 5, 2015.

### **Fiscal Impact:**

The holiday closure as recommended is expected to result in nominal utility savings associated with the City buildings being closed and in fuel costs due to maintaining only minimal staffing in Public Works.



## **CITY OF HUGHSON AGENDA ITEM NO. 3.5**

### **SECTION 3: CONSENT CALENDAR**

**Meeting Date:** October 27, 2014  
**Subject:** Approval to Amend the Memorandum of Understanding with the Stanislaus County Economic Development and Workforce Alliance  
**Enclosures:** City of Hughson/Stanislaus Business Alliance MOU (Draft)  
Alliance Jumpstart Stanislaus Campaign Basics  
**Presented By:** Raul L. Mendez, City Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Authorize the City Manager to execute an amendment to the Memorandum of Understanding with the Stanislaus Economic Development and Workforce Alliance.

#### **Background:**

On July 25, 2011, the Hughson City Council approved entering into a Memorandum of Understanding (MOU) with the Stanislaus County Economic Development and Workforce Alliance (Alliance) for assistance with economic development services. A focus of the new partnership at that time was the development of a business incubation center at the City building located at 7012 Pine Street.

On September 23, 2013, the Hughson City Council approved the expansion of the City's business assistance programs and with that action authorized an amendment to the Alliance MOU for increased support through the establishment of a Small Business Development Center (SBDC) at the Hughson Business Incubation Center.

In early 2014, the Stanislaus County Economic Development and Workforce Alliance announced the selection of their new Executive Director, David White, to succeed William Bassitt who had recently retired. Shortly thereafter, the Stanislaus County Economic Development and Workforce Alliance was renamed the Stanislaus Business Alliance with a renewed focus and vision.

Mr. White has met with members of the Hughson City Council and City staff and embraces a philosophy of transparency, accountability, collaboration and communication. The City of Hughson has seen an increase in involvement and accessibility of Alliance staff as evident by their participation in the meetings of the Hughson Economic Development Committee, through their facilitation of Economic Development Practitioners Meetings with City and County staff, and their support of their Alliance Board of Directors. Mayor Pro Tem Jeramy Young is the City Council appointee to the Stanislaus Business Alliance Board of Directors.

## **Jumpstart Stanislaus**

On April 15, 2014, the Alliance launched a jobs campaign called “Jumpstart Stanislaus” that started with two components: job training and wage reimbursement program utilizing Workforce Investment Act (WIA) funds for hiring long-term unemployed people and cash back business incentive programs (geared to filling vacant storefronts and reimbursing companies for some permitting fees). This program was based on the visibility of improving economic indicators and in a strategic effort to “jumpstart” the local economy.

The following information is from a presentation provided by David White to the City Managers to discuss all the components of the Jumpstart Stanislaus initiative:

### **Jumpstart Stanislaus – A Campaign for Job Creation**

- On the Job Training;
- Small Cash Back Incentive;
- Large Impact Project Incentive;
- Fast Track Permitting;
- Subsidized Employment;
- Electric Utility Incentive;
- Co Working Space; and
- Start Up Nights.

The County and many cities, Hughson included, have such business assistance programs in place and are working with the Stanislaus Business Alliance during the Jumpstart Stanislaus campaign to add to the portfolio and showcase available options for existing and new businesses. In order to effectively market new and existing programs, the Stanislaus Business Alliance has looked to increased investment by both its private and public partners.

Collectively, the County and the partner cities have embraced the Alliance’s new focus and purpose. The County and each city will continue to work with the “new” Alliance in this regard.

In Hughson, the Alliance has worked more closely with City staff in numerous ways. Alliance staff is a direct participant at the meetings of the Economic Development Committee and its discussions regarding strengthening businesses, existing and new, in the City. The Alliance is also now hosting monthly meetings with key County and City staff that focus on regional economic development

strategies. Through the Alliance Small Business Development Center component, City staff has been working on the development of a Hughson SBDC presence through ongoing communication and calibration of the program. The local SBDC has assisted in the development and evaluation of proposals for the City's business assistance programs.

The following table shows the current level of investment by Stanislaus County and the nine partner cities and the proposed increased contribution for the current fiscal year, via the Jumpstart Stanislaus initiative, based on population.

<b>City/County</b>	<b>Population</b>	<b>Annual Investment 2013/2014</b>	<b>Proposed Investment 2014/2015</b>
Stanislaus County	521,726	\$94,320	\$100,000
City of Modesto	203,547	66,243	75,000
City of Turlock	69,733	20,190	30,000
City of Ceres	45,719	11,840	20,000
City of Riverbank	23,298	3,171	10,000
City of Oakdale	21,194	7,478	10,000
City of Patterson	20,659	3,489	10,000
City of Newman	10,576	2,493	7,500
City of Waterford	8,559	1,620	5,000
<b>City of Hughson</b>	<b>6,836</b>	<b>2,400*</b>	<b>5,000</b>
Total		\$213,244	\$272,500

\*Includes SBDC Local Component

During the September 22, 2014 Hughson Economic Development Committee meeting, the increased investment by the City of Hughson was discussed with Stanislaus Business Alliance staff. Based on the renewed Alliance presence in Hughson over the course of the last year and the strategy for additional support moving forward, the Committee was supportive of the increase and forwarding it to the City Council for formal consideration and approval.

### **Fiscal Impact:**

The annual contribution to the Stanislaus Business Alliance is generally included in the City's Fiscal Year 2014-2015 Adopted Budget. Although set at the prior year's level, it is anticipated the increase to \$5,000 can be accomplished without requiring an adjustment to the City budget at this time through anticipated savings in other program areas. This item will be reviewed during the mid-year process and, if needed, an adjustment can be made at that time.



**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE STANISLAUS BUSINESS ALLIANCE AND THE CITY OF HUGHSON  
REGARDING  
THE JOINT IMPLEMENTATION OF THE COUNTYWIDE  
ECONOMIC DEVELOPMENT PLAN AND MARKETING STRATEGY**

The Stanislaus Business Alliance (Alliance) and the City of Hughson, (City) intend to work together through the implementation of the Countywide Economic Development Plan and Marketing Strategy focused on business development activities throughout Stanislaus County. This Memorandum of Understanding (MOU) serves as a guideline to describe the actions that both parties should take in order for the Economic Development Plan and Marketing Strategy to be successful.

The purpose of this Memorandum is to facilitate the Alliance and the City of Hughson desire to effectively communicate strategies and information with local and regional partners that will maximize their contribution toward the achievement of Hughson economic development goals. Further, this Memorandum of Understanding establishes the parameters for a successful partnership between the Alliance and the City of Hughson and outlines the general responsibilities to be carried out by both parties.

This Memorandum of Understanding is a non-binding contract. However this agreement establishes the basic tenements of a collaborative working relationship between the City of Hughson and the Alliance to create more jobs for Hughson and the region, but does not impose a legal obligation on either party. Together, the City of Hughson and the Alliance will:

1. Work together to identify target sectors for joint initiatives including, but not limited to retail, biotechnology, agribusiness, manufacturing, clean energy, environmental sciences, and information and communication technologies;
2. Work together to identify opportunities for strategic partnerships and alliances between private sector companies in Hughson and the Stanislaus County Region;
3. Explore opportunities for joint trade promotion and joint promotional activities related to the tourism, cultural and sports sectors;
4. Exchange best practices/lessons learned in assisting the private sector with inland port and rail spur development;

5. Examine options for co-operative activity to facilitate development of strategic partnerships/ collaborations between the jurisdictions' respective inland ports and rail spur, particularly as they relate to value-added and complementary services supporting their respective business communities; and
6. Leverage collaborative efforts amongst members throughout Stanislaus County and the Region with a particular focus on trade and business development, knowledge/innovation economy development, life sciences, biotechnology, and information technology development.

The City of Hughson and the Alliance recognize the benefits of ongoing, regular contact between their respective organizations to promote economic development and job creation and identify areas in which there are opportunities for joint co-operation.

The following are general actions and activities to be undertaken by the Alliance and by the City of Hughson in the implementation of the Countywide Economic Development Plan and Marketing Strategy first adopted on August 12, 2003 and the Alliance 2008-2013 Strategic Plan approved on November 19, 2007. The Alliance in conjunction with Stanislaus County and all of the cities will begin work on developing a 2016-2020 Strategic Plan that includes updating the Countywide Economic Development Plan and Marketing Strategy, which is anticipated to be completed within the current budget cycle.

Specifically, the Stanislaus Business Alliance:

1. Will conduct economic development activities to encourage the development of new business opportunities, the attraction of new businesses and the retention and expansion of existing business within the City of Hughson.
2. Will assist the City with implementation and further development of its Economic Development Strategy as approved by the Hughson City Council.
3. Will continue with the Synchronist Local Industry Program and Survey for the businesses in Hughson and will include representative of the City on those interactive visits.
4. Will provide the City of Hughson with on-going market and economic analyses through the Alliance Resource Center on a variety of important business sector topics based on the City of Hughson's priorities and goals. Information will be used at the City's discretion (annual budget document, Comprehensive Economic Development Strategy, as well as other reports). Includes statistics, retail gap analysis (from Claritas), benchmarking data, and demographic information as requested by the City.
5. Will coordinate collaborative visits, recruitment trips and trade show participation for such events as the Processors Convention, ICSC events, other retail trade shows.
6. Will support and coordinate with the City of Hughson on workforce support efforts such as in partnering on hiring events, holding workforce related events to support local employers as well as other types of training for local businesses.
7. Will partner with Hughson on prospect visits of companies desiring to look at Hughson for potential investments. This includes industrial, commercial and retail prospects. We

will partner with the City of Hughson in attracting new prospects by attending trade shows such as ICSC, Corenet and others. Includes sharing all prospect leads with City of Hughson economic development staff,

8. Will assist the City of Hughson in pursuit of a full-service grocery store in the City limits.
9. Will support the City of Hughson in its applications for EDA grant funds as well as actively participate on the Economic Development Action Committee (EDAC) and assigned responsibilities and coordination (Comprehensive Economic Development Strategy, San Joaquin Valley Economic Development District, Economic Development Administration, etc.);
10. Will facilitate, in a transparent manner all potential development and prospect leads as well as provide an update or status on previous leads that were circulated and responded to by the City of Hughson.
11. Will assist the City in the further development of its entrepreneurial center/incubator including making referrals from all Alliance locations in Stanislaus County.
12. Will assist the City to prepare a forty-acre site suitable for an industrial or business park location.
13. Will work with City officials and property owners to facilitate in-fill projects in the downtown area.
14. Will advocate for the establishment of an effective Entrepreneurial Program at CSU Stanislaus which enables students and professors to interact with the Alliance Innovation Team to express their ideas and get assistance to bring their ideas to reality.
15. Will provide professional consulting services by the Alliance Small Business Development Center (SBDC) to all Hughson businesses and actively explore the feasibility of having a full time SBDC staffer located in Hughson to serve the Hughson business community.
16. Will assist the City in the promotion of the Hughson Business Assistance Programs including consultation and advice for development of program parameters, implementation and advice.
17. Alliance quarterly progress reports shall be submitted on a four times a year basis describing activities in business attraction, business assistance/expansion and business advocacy efforts provided by the Alliance Research Office, the Business Services Unit and the Small Business Development Center. These Quarterly Reports will be submitted on or before the following due dates during this performance cycle:
  - Quarter #1: September 30, 2014;
  - Quarter #2: January 5, 2015;
  - Quarter #3: March 30, 2015; and
  - Quarter #4: June 30, 2015.

These reports will provide ongoing, updated information to the City of Hughson relative to the progress of the aforementioned Marketing Strategy as well as the adopted

Alliance Program of Work for Fiscal Year 2014-2015. These reports will include the current focus of the campaign as well as the number and type of responses received.

Specifically, the City of Hughson:

1. Will assist in providing the required and timely staff support based on the availability of staff resources and the City of Hughson's specific priorities in response to stated business needs as they pertain to existing companies or new firms interested in relocation or expansion to the area.
2. Will facilitate ease of access and assistance to all businesses with regards to zoning and permitting in compliance with City of Hughson adopted land use regulations and building codes and consistent with Hughson's adopted growth and land use policies and objectives.
3. Will provide current data as it relates to changes in land use issues, infrastructure upgrades, zoning, fee structure or any other jurisdictional actions which assist in meeting the stated objectives of this Memorandum of Understanding and that impact the ability to respond to stated business issues and concerns.
4. Will commit to interact with the Alliance Marketing Team to the level of capability based on staffing, time and monetary constraints. Participation will be at a level deemed appropriate based on any restraints as defined.
5. Will encourage elected officials to engage in an active support of business park creation, job creation opportunities, job retention and new business development.
6. Will provide clearly stated development goals and objectives and align City policy and procedures to promote identified development goals and objectives.
7. Will ensure participation on the Alliance's policy making board.
8. Will provide financial support for the Alliances development activities in the mutually agreed upon amount.
9. Will provide a suitable location for private business consulting with Hughson businesses by the Alliance SBDC.

This MOU sets forth the current intentions of the Alliance and the City of Hughson with respect to the Fiscal Year 2014-2015 operations of the Alliance. The further intent is to provide a general understanding of the levels of responsibility and interaction for each party to this agreement. The MOU is not a binding contract but rather a document to serve as a guideline for the implementation of the Countywide Economic Development Plan and Marketing Strategy. A critical element of this document is the ability for each party to engage in a level of flexibility in the full implementation of the referenced plans.

In compensation for providing this Fiscal Year 2014-2015 level of activity as outlined in the MOU, the City of Hughson will increase its annual investment in the Alliance to be commensurate with the level of service. Specifically, the City of Hughson will disperse funds to the Alliance in the amount of \$5,000 for the period of Fiscal Year 2014-2015.

Annual Investment 2013/2014	Proposed Investment 2014/2015
\$ 2,400	\$ 5,000

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers' thereunto duly authorized. Further, this MOU is consistent with the original intent of the Countywide Economic Development Plan and Marketing Strategy and the responsibilities as outlined, meets with the approval of both parties to this Memorandum of Understanding.

**Stanislaus Business Alliance**

**City of Hughson**

Signature: \_\_\_\_\_

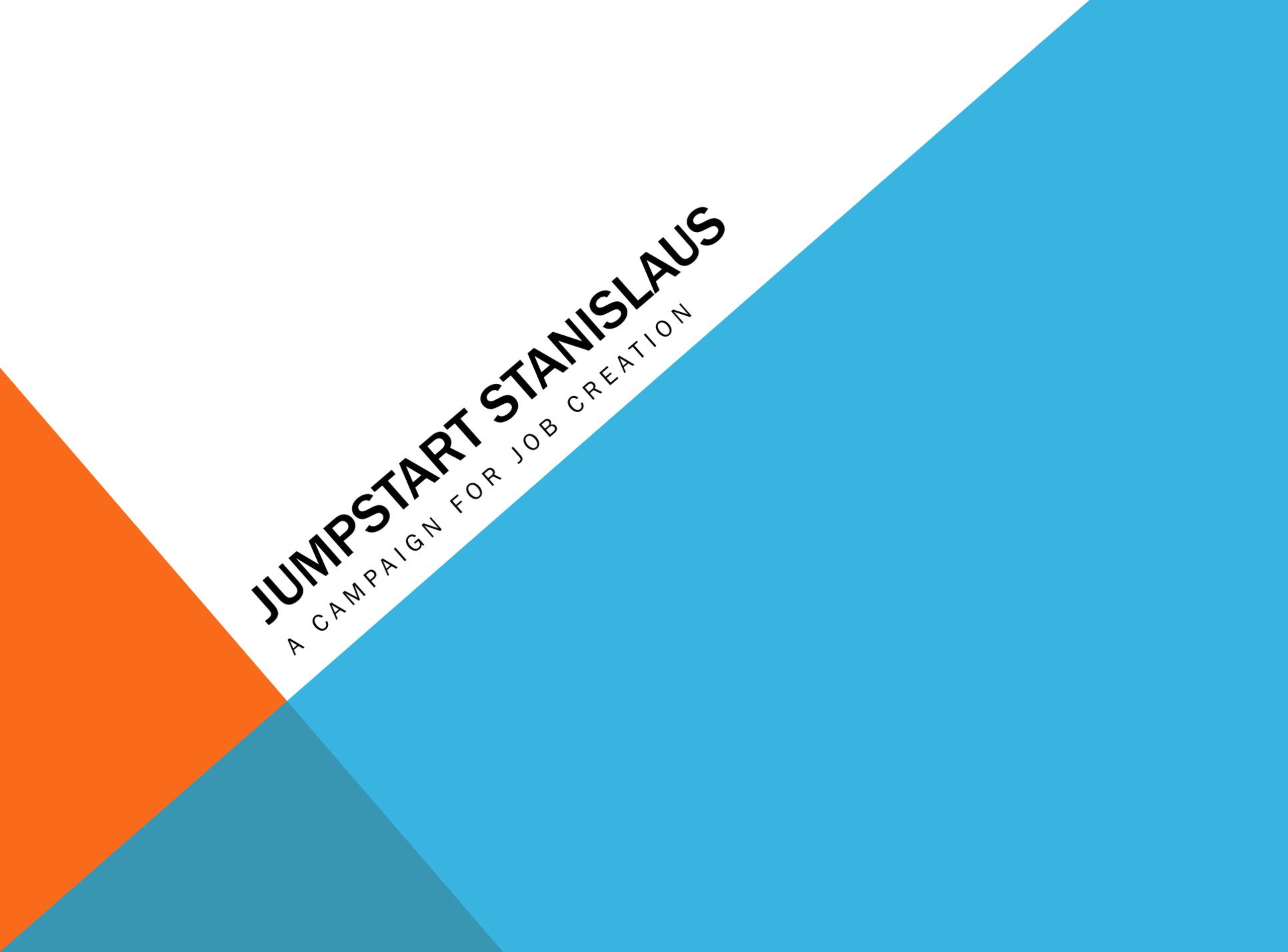
Signature: \_\_\_\_\_

David White, Chief Executive Officer

Raul L. Mendez, City Manager

Date \_\_\_\_\_

Date \_\_\_\_\_



# **JUMPSTART STANISLAUS**

A CAMPAIGN FOR JOB CREATION

# JUMPSTART STANISLAUS

## First Volley – OJT Program

- Up to 90 Percent Wage Reimbursement
- Hire Long-Term Unemployed Individuals
- April 15 – June 30



# JUMPSTART STANISLAUS

## Second Volley – Cash Back Incentive Program

- \$1,000 Cash Grants Back to Companies for Occupying Vacant Storefronts or Expansion of Existing Space
- Model After the Turlock Program
- Launch Date – June 1

# JUMPSTART STANISLAUS

## Third Volley – Impact Project Incentive

- Large Impact Project Incentive Program
  - Fee Reduction or Fee Reimbursement for Large Impact Projects w/ High Value Add
  - Modeled After the Stanislaus County Large Industrial Program
  - Launch Date – July 1
- 

# JUMPSTART STANISLAUS

## Fourth Volley – Fast Track Permitting

- Front of the Line for Base Employers
- Concurrent Permitting
- Launch Date – August 1

# JUMPSTART STANISLAUS

## Fifth Volley – Subsidized Employment Program

- Employee Wages are 100% Subsidized
  - Welfare to Work Clients
  - All Workers Comp Costs Covered by The Alliance Worknet
  - Launch Date – September 1
- 

# JUMPSTART STANISLAUS

## Sixth Volley – Electric Utility Incentive

- Special Economic Development Rate for Large Scale Projects and Targeted Quality Projects
- Launch Date – October 1



# JUMPSTART STANISLAUS

## Seventh Volley – Co Working Space

- Utilize Vacant Offices in Alliance 10<sup>th</sup> Street Office
  - Provide Services for Startups
  - Service Providers Scheduled on Site to Provide Assistance
  - Launch Date – November 1
- 

# JUMPSTART STANISLAUS

## Eighth Volley – Start Up Nights

- Startup Pitch Nights to be Held in Each City
- 2 Minute Presentations
- Cash Awards to Best Business Concepts
- Feed the San Joaquin Entrepreneurial Challenge
- Launch Date – December 1

# JUMPSTART STANISLAUS

## Goals

- Most Business Friendly County in California
  - 1,500 New Jobs
  - Unemployment Rate Below 10 Percent
- 



## CITY OF HUGHSON AGENDA ITEM NO. 3.6

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** October 27, 2014  
**Subject:** Progress Report on the 2014 League of California Cities Annual Conference and Exposition  
**Enclosures:** Final Report Approved Resolutions  
Concurrent Sessions Handouts (Select)  
**Presented By:** Raul L. Mendez, City Manager  
**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Accept the progress report on the 2014 League of California Cities Annual Conference and Exposition.

#### **Background:**

The League of California Cities (LOCC) is an association of California city officials who work together to enhance their knowledge and skills, exchange information, and combine resources so that they may influence policy decisions that affect cities. The Vision of the LOCC is to be recognized and respected as the leading advocate for the common interests of California's cities. Its Mission is to expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

The League of California Cities is the state leader in local government education – with a focus on networking, legal, legislative, new technologies, best practices and organizational improvement. The LOCC offers innovative and integrated approaches to education conferences and alternative forms of learning that addresses the needs of local elected officials, city department heads, city staff and partners alike. The Annual Conference and Expo, was held in Los Angeles on September 3-5, 2014 and provided an opportunity for such education, training and policy discussions. Mayor Pro Tem Jeramy Young and City Manager Raul Mendez represented the City of Hughson at this year's event.

The LOCC bylaws provide that resolutions submitted by a member shall be referred by the president to an appropriate policy committee for review and recommendation. Resolutions with committee recommendations shall then be considered by the General Resolutions Committee at the Annual Conference. Respective cities are encouraged to consider the resolutions and to determine a position so that the voting delegate can represent the city's position on each

resolution. New last year to the resolution process, resolutions submitted to the General Assembly must be concurred in by five cities or by city officials from at least five or more cities.

### Final Report Resolutions Approved

On July 14, 2014, the Hughson City Council designated Mayor Pro Tem Jeramy Young as the voting delegate for the 2014 Annual Conference and Expo. The City of Hughson shortly thereafter received the Annual Conference Resolutions Packet which included one resolution that was introduced by the required deadline:

*Resolution 1 – Illegal Marijuana Growth Site:* A Resolution calling upon the Governor and the Legislature to convene a summit to address the environmental impacts of illegal marijuana grows on both private and public lands throughout California and to develop responsive solutions and to secure adequate funding for cost-effective implementation strategies.. Referred to Public Safety Committee. Source: Redwood Empire Division.

The General Resolutions Committee met on September 4, 2014 and considered and approved the resolution. The Final Report provided by the League of California Cities is included for reference (Attachment A).

### Networking Opportunities/Concurrent Sessions

Attendees at the Annual Conference and Exposition had an opportunity to attend a host of networking opportunities and concurrent sessions. The concurrent sessions provided information on the League of California Cities current initiatives as well as important public policy impacting local government. Like past events, the handouts are made available for reference on the League of California Cities web site.

Although Mayor Pro Tem Young and City Manager Mendez weren't able to attend all concurrent sessions, as much as possible they tried to attend different sessions to be able to bring back more information to the City Council and City staff. The following sessions were examples of some attended along with the handouts provided (Attachment B).

- The California Voting Rights Act – An Update;
- The Districting Process – The Demographics Perspective;
- Cooperative Agreements Between Public Agencies Risks and Rewards;
- All About Municipal Revenues; and
- Keys to Success: Understanding Differences Between Private and Public Employment.

In summary, the networking opportunities through the receptions and exposition and the concurrent sessions provided City representatives with valuable information regarding the issues facing local governments and some of the initiatives undertaken by municipalities to address them accordingly. The League of California Cities Annual Conference and Exposition provides City leaders an

opportunity to learn from one another and gather knowledge and tools that can be brought back to respective municipalities. Next year's event is scheduled to be held in San José on September 30-October 2, 2015.

**Fiscal Impact:**

Registration costs associated with the 2014 League of California Cities Annual Conference and Exposition totaled \$1,000 and were included as part of the City's budget on an annual basis to ensure City representation.



***FINAL REPORT  
RESOLUTION APPROVED***

***2014 Annual Conference***



***Los Angeles  
September 5, 2014***

**FINAL REPORT ON RESOLUTION**  
**September 2014**

The 2014 League of California Cities Annual Conference was held September 3 - 5, 2014, in Los Angeles. On Wednesday, September 3, two League policy committees met and considered the resolution assigned to them.

The General Resolutions Committee met on Thursday, September 4, and considered the one resolution before them. A chart on pages 2 and 3 of this packet includes a summary of the actions taken on the resolution by the policy committees and the General Resolutions Committee.

The resolution contained in this packet was approved by the General Assembly on September 5. Also included in this packet, on page 6, is a status report on the implementation of the resolutions approved at last year's 2013 Annual Conference.

We thank those city officials who served as members of policy committees, the General Resolutions committee and those city officials who participated in the General Assembly.

Additional copies of this report are available on the League's website at: [www.cacities.org/resolutions](http://www.cacities.org/resolutions)

**KEY TO ACTIONS TAKEN ON RESOLUTIONS**

Resolutions have been grouped by policy committees to which they have been assigned.

Number	Key Word Index	Reviewing Body Action		
		1	2	3

- 1 - Policy Committee Recommendation to General Resolutions Committee
- 2 - General Resolutions Committee
- 3 - General Assembly

**ENVIRONMENTAL QUALITY POLICY COMMITTEE**

		1	2	3
1	Illegal Marijuana Grow Sites	Aa	Aa	A

**PUBLIC SAFETY POLICY COMMITTEE**

		1	2	3
1	Illegal Marijuana Grow Sites	A	Aa	A

Information pertaining to the Annual Conference Resolutions will also be posted on each committee's page on the League website: [www.cacities.org](http://www.cacities.org). The entire Resolutions Packet will be posted at: [www.cacities.org/resolutions](http://www.cacities.org/resolutions).

## KEY TO ACTIONS TAKEN ON RESOLUTIONS (*Continued*)

Resolutions have been grouped by policy committees to which they have been assigned.

### KEY TO REVIEWING BODIES

1. Policy Committee
2. General Resolutions Committee
3. General Assembly

### KEY TO ACTIONS TAKEN

- |     |   |
|-----|---|
| A   | Approve   |
| D   | Disapprove  |
| N   | No Action   |
| R   | Refer to appropriate policy committee for study             |
| a   | Amend+  |
| Aa  | Approve as amended+   |
| Aaa | Approve with additional amendment(s)+                       |
| Ra  | Refer as amended to appropriate policy committee for study+ |
| Raa | Additional amendments and refer+                            |
| Da  | Amend (for clarity or brevity) and Disapprove+              |
| Na  | Amend (for clarity or brevity) and take No Action+          |
| W   | Withdrawn by Sponsor  |

### ACTION FOOTNOTES

- \* Subject matter covered in another resolution
- \*\* Existing League policy
- \*\*\* Local authority presently exists

**+Note:** Petitioned Resolutions may not be amended by the General Resolutions Committee.

Resolutions that are approved by the General Resolutions Committee, as well as all qualified petitioned resolutions, are reported to the General Assembly. In addition, League policy provides the following procedure for resolutions approved by League policy committees but *not* approved by the General Resolutions Committee.

Every resolution initially recommended for approval and adoption by all the League policy committees to which the resolution is assigned, but subsequently recommended for disapproval, referral or no action by the General Resolutions Committee, shall then be placed on a consent agenda for consideration by the General Assembly. The consent agenda shall include a brief description of the basis for the recommendations by both the policy committee(s) and General Resolutions Committee, as well as the recommended action by each. Any voting delegate may make a motion to pull a resolution from the consent agenda in order to request the opportunity to fully debate the resolution. If, upon a majority vote of the General Assembly, the request for debate is approved, the General Assembly shall have the opportunity to debate and subsequently vote on the resolution.

**RESOLUTION REFERRED TO ENVIRONMENTAL QUALITY AND PUBLIC SAFETY POLICY COMMITTEES**

- 1. A RESOLUTION CALLING UPON THE GOVERNOR AND THE LEGISLATURE TO CONVENE A SUMMIT TO ADDRESS THE DEVASTATING ENVIRONMENTAL IMPACTS OF ILLEGAL MARIJUANA GROWS ON BOTH PRIVATE AND PUBLIC LANDS THROUGHOUT CALIFORNIA AND THE INCREASING PROBLEMS TO PUBLIC SAFETY RELATED TO THESE ACTIVITIES BY WORKING IN PARTNERSHIP WITH THE LEAGUE OF CALIFORNIA CITIES TO DEVELOP RESPONSIVE SOLUTIONS AND TO SECURE ADEQUATE FUNDING FOR COST-EFFECTIVE IMPLEMENTATION STRATEGIES.**

Source: Redwood Empire Division

Concurrence of five or more cities/city officials: Cities of Arcata; Blue Lake; Clearlake; Cloverdale; Crescent City; Eureka; Fort Bragg; Healdsburg; Lakeport; Trinidad; and Ukiah

Referred to: Environmental Quality and Public Safety Policy Committees

**WHEREAS**, public concerns in response to widespread damage to fish and wildlife resources and degradation to California's environment, and threats to public safety resulting from illegal marijuana cultivation statewide requires urgent action by the Governor and the Legislature, and

**WHEREAS**, local governments and the public support the State's primary objectives in complying with environmental laws including the Clean Water Act, Porter-Cologne Water Quality Control Act, and Endangered Species Act and are supported by substantial public investments at all levels of government to maintain a healthy and sustainable environment for future citizens of California, and

**WHEREAS**, illegal marijuana cultivation activities include habitat destruction and fragmentation, poaching wildlife, illegal water diversions, unregulated use of fertilizers, pesticides, insecticides, rodenticides, soil amendments contaminating land and waters without regard for the cumulative impacts to the environment or public health, and

**WHEREAS**, changing global climate conditions are posing escalated threats in California to health, well-being, nature and property; as evidenced by critical water shortages across the state due to prolonged drought conditions, and

**WHEREAS**, illegal water diversion for the purpose of cultivating marijuana plantations poses a direct threat to California's endangered and threatened anadromous fish species, including coho salmon, Chinook salmon, steelhead trout and other aquatic species, especially at critical life phases during seasonally low flow conditions; and

**WHEREAS**, California is a leader in the global effort to fight climate change and is pursuing a broad, integrated strategy to reduce greenhouse gas emissions and conserve energy, yet in a recent Lawrence Livermore Lab study estimated that upwards of 10% of electricity usage statewide can be attributed to indoor marijuana cultivation; these sites are often the causation of fires and home invasion incidents due to criminal activity, and

**WHEREAS**, the presence of illegal marijuana growing sites on State and federal public lands is creating unsafe conditions for visitors; these lands are taxpayer supported and intended to be managed for recreation, resource conservation and the enjoyment by the public, and

**WHEREAS**, increasing violence and threats to public safety related to illegal marijuana grows is contributing to a sense of lawlessness and impacting nearby communities where criminal activities are expanding, and

**WHEREAS**, the issue of illegal marijuana grows has reached a crisis level across the state as evidenced by the murder of former League Board member, Fort Bragg Councilmember and veteran forester Jere Melo who was fatally shot down while investigating a report of a marijuana grow on private timberlands in northern California.

**RESOLVED**, at the League General Assembly, assembled at the League Annual Conference on September 5, 2014 in Los Angeles, that the League calls for the Governor and the Legislature to work with the League, law enforcement agencies and organizations, and other stakeholders to convene a summit to address the devastating environmental impacts of illegal marijuana grows on both private and public lands and the increasing problems to public safety related to these activities.

**FURTHER RESOLVED**, that the League will work with its member cities to educate State and federal officials regarding emerging concerns from their communities and citizenry and to the challenges facing local governments. Therefore, we request the Governor and the Legislature to work with the League to provide responsive solutions with adequate funding support and effective State and federal government leadership to address widespread environmental damage and associated threats to public safety impacting every region in the State of California.

**APPROVED 2013 ANNUAL CONFERENCE RESOLUTIONS IMPLEMENTATION REPORT**

No.	Title	Required Action	Status
1.	<p><b>Call upon the Governor and Legislature to Work with the League of California Cities in Providing Adequate Funding and to Prioritize Water Bonds to Assist Local Government in Water Conservation, Ground Water Recharge and Reuse of Stormwater and Urban Runoff Programs</b></p>	<p>The League will:</p> <ol style="list-style-type: none"> <li>1. Call upon the Governor and the Legislature to work with the League and other stakeholders to address the League’s adopted water policies and provide adequate funding for water conservation, ground water recharge, capture and reuse of stormwater and runoff and compliance with the Clean Water Act stormwater requirements and watershed restoration in the water bond.</li> <li>2. Work with its member cities to educate federal and state officials to the challenges facing local governments in providing for programs to capture, infiltrate and reuse stormwater and urban runoff.</li> </ol>	<ol style="list-style-type: none"> <li>1. The League met with numerous Legislators and their staff to discuss the Resolution and the League’s water bond funding priorities. The League also met with numerous Legislators and their staff to help secure water bond funding that would benefit all California cities.</li> <li>2. The League formed a Water Bond Task Force to better engage its membership in identifying water bond funding priorities. The League has and continues to work with its member cities to educate federal and state officials to the many challenges facing local governments with regards to stormwater and urban runoff management.</li> </ol>
2.	<p><b>Call upon the Governor and Legislature to Enter Into Discussion with the League of California Cities and California Police Chiefs’ Association Representatives to Identify and Enact Strategies that will Ensure the Success of Public Safety Realignment from a Local Municipal Law Enforcement Perspective</b></p>	<p>The League will:</p> <ol style="list-style-type: none"> <li>1. Desire to increase public awareness and the need to fully fund municipal police departments, including those under contract with a county sheriff’s department, with constitutionally protected funding to appropriately address realignment issues facing front line law enforcement. This funding would not diminish current revenue streams flowing to counties for this purpose, and would augment the ability of local law enforcement in general to monitor offenders. Since county realignment funding would not be affected, contract cities who have law enforcement services provided to them by county agencies would not suffer any reduction in service;</li> <li>2. Amend appropriate sections of AB 109 to change the criteria justifying the release of non-violent, non-serious, non-sex offender inmates (N3) inmates to include their total criminal and mental health history instead of only their last criminal conviction;</li> <li>3. Establish a uniform definition of recidivism with the input of all criminal justice stakeholders throughout the state.</li> <li>4. Enact legislation that will provide local law enforcement the option for city police officers assigned to make compliance checks on AB 109 offenders to independently authorize flash incarceration for offenders on post-release community supervision. Flash incarceration shall be for up to 96 hours in Type I municipal jails, as specified by AB 986 (Bradford), or for up to 10 days in Type II county jails.</li> <li>5. Establish oversight procedures to encourage transparency and accountability over the use of realignment funding.</li> <li>6. Implement the recommendations identified in the California Little Hoover Commission Report #216 dated May 30, 2013;</li> <li>7. Provide for greater representation of city officials on the local Community Corrections Partnerships. Currently AB 117 provides for</li> </ol>	<ol style="list-style-type: none"> <li>1. The League supported and helped secure, via advocacy with the Department of Finance and coordination with the California Police Chiefs Association, an augmentation in the Governor’s 2014-15 Budget of \$12.5 million for front-line public safety funding for municipal police departments, for a total allocation of \$40 million.</li> <li>2. Discussions with the public safety policy staff within the Legislature made it clear that such a change in law would frustrate the Governor’s efforts to shrink the existing prison inmate population to 137.5% of prison design capacity, because its likely effect would be to reduce the universe of AB 109 offenders who are eligible for post-release community supervision (PRCS). <ul style="list-style-type: none"> <li>• The Administration and Attorney General jointly responded with Smart Justice, a web-based data sharing platform allowing state, county, and local law enforcement entities to effectively transmit and share offender information, including AB 109 offender information, in real time – assisting the efforts of local police to pro-actively monitor these offenders.</li> </ul> </li> <li>3. In the Fall of 2014, League staff contacted the California Department of Corrections and Rehabilitation (CDCR) and the California Police Chiefs Association on this issue, and learned that legislation enacted within days of the League’s 2013 Annual Conference, AB 1050 (Dickinson, 2013), Chapter 270, Statutes of 2013, directed the Board of State and Community Corrections (BSCC) to update the official state definition of recidivism. BSCC coordinated with the California Department of Justice, CDCR, and</li> </ol>

		<p>only one city official (a police chief) on the 7-member body, 6 of which are aligned with the county in which the partnership has been established. As a result, the counties dominate the committees and the subsequent distribution of realignment funds.</p> <p>8. Provide, either administratively or by legislation, an effective statewide data sharing mechanism allowing state and local law enforcement agencies to rapidly and efficiently share offender information to assist in tracking and monitoring the activities of AB 109 and other offenders.</p>	<p>other entities. In the Spring of 2014, League staff were contacted by the Attorney General's office for the purpose of soliciting input into the factors that should be considered in crafting a new recidivism definition. In response, League staff provided detailed input.</p> <p>On September 25, 2014, the BSCC released the following revised definition of adult recidivism:</p> <p>"Recidivism is defined as conviction of a new felony or misdemeanor committed within three years of release from custody or committed within three years of placement on supervision for a previous criminal conviction." (In this context, "committed" refers to the date of the offense, not the date of the conviction.)</p> <p>4. The League supported AB 986 (Bradford), which authorized the use of specified city jails for flash incarceration for limited periods. Research into this issue revealed that a legislative proposal to provide local law enforcement with the authorization to independently authorize flash incarceration would not survive the Public Safety Committee in either house of the Legislature. In addition, such a proposal could have triggered a jurisdictional dispute with the California Probation Officers Association, who currently have sole discretion over flash incarceration decisions.</p> <p>5. The League continues to advocate for the desired changes in this area.</p> <p>6. One of the chief hurdles is the cost associated with implementing some of the Hoover Commission recommendations at a time when the Governor is emphasizing the need to contain the state's costs overall, and specifically to limit corrections costs to the degree possible. In addition, a chief recommendation of Little Hoover Commission Report #216 was to explore the possibility of sentencing reform, which the report asserted was critical to the success of the state's public safety realignment policy. The last major piece of legislation that attempted to enact sentencing reform was SB 110 (Romero, 2007), which failed passage on the floor of the State Assembly on a vote of 34 – 38 (September 7, 2007). Today, sentencing reform remains controversial, as evidenced by the growing opposition to Proposition 47, the Safe Neighborhoods and Schools Act which will be on the statewide ballot this November.</p> <p>7. The League continues to advocate for this change in representation.</p>
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			<p>8. In 2013, the League sponsored a measure, AB 810 (Muratsuchi) that would have directed the California Department of Justice to develop a statewide data sharing mechanism. The League also successfully injected itself into the Steering Committee formed by the Attorney General to shepherd the creation of what ultimately became Smart Justice, the web-based digital platform that facilitates information-sharing in real time between law enforcement agencies on AB 109 and other offenders. AB 810 was ultimately dropped by Assembly Member Muratsuchi at the request of the Attorney General's office.</p>
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**The California Voting Rights Act - an Update**  
League of California Cities Annual Conference  
Thursday, September 4, 2014, 1:00 - 2:15 p.m.



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**The California Voting Rights Act - an Update**  
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“The CVRA makes all cities that conduct elections for council members "at-large" vulnerable to legal action if plaintiffs who are members of a protected class can prove racially polarized voting and impairment of their ability to elect their chosen candidates. Hear about cities that have been subject to legal action under the CVRA and learn how the Act can affect your city. Receive an update on current legal issues and what the future outlook may be.”

Presenters: Marguerite Mary Leoni, Partner, Nielsen Merksamer Parrinello Gross & Leoni, LLP  
Kimberly Hall Barlow, Partner, Jones & Mayer

1. Key Provisions of the California Voting Rights Act
2. California Appellate Decisions Interpreting the California Voting Rights Act
3. Status of Litigation against California Cities Under the California Voting Rights Act
4. Proposed new Legislation Affecting Voting Rights & Status
  - a. SB 1365 (Padilla)
  - b. AB 280 (Alejo)
  - c. AB 2715 (Hernandez)
5. Attachments
  - California Elections Code §§ 14026 – 14032
  - Sanchez v. City of Modesto*, 145 Cal.App.4th 660 (2006)
  - Rey v. Madera Unified School District*, 203 Cal.App.4th 1223 (2012)
  - Jauregui v. City of Palmdale*, 226 Cal. App. 4th 781 (2014)
  - SB 1365
  - AB 280
  - AB 2715
  - Trial Court Statements of Decision in *Jauregui v. City of Palmdale*
  - Chart of Cities subject to CVRA Demands/ Litigation
  - Sample Demand Letters



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### California Voting Rights Act Challenges to California Cities

City Population 2010	Charter	Electoral System	GME <sup>1</sup> Date	Minority % <sup>2</sup>	Minorities Elected <sup>3</sup>	Demand Letter	Lawsuit Filed	Procedural Status	Settlement Terms <sup>4</sup> ; Other Actions	Attorneys Fees to Plaintiffs
Anaheim 336,265	Yes	At-large w/ separately elected mayor	Nov. Even	53% Latino	Yes	Yes	Yes	OC <sup>5</sup> settlement; Complaint dismissed	Ballot meas. for SMD & to increase size of council; keep separate mayor	\$1.2 Mil.
Bellflower 76,616	No	At-large	Mar. Odd	54% Latino 14% Af.Am.	Yes	Yes	Yes	Demurrer pending	N/A	N/A
Compton 96,455	Yes	From-districts with separately elected mayor	Apr. Even, with runoff in June	66% Latino 30.6% Af.Am.	Yes, but ethnicity subject to debate as to meaning of “Latino”	Yes	Yes	OC settlement; Complaint dismissed	Ballot Meas. for SMD successful; keep at-large mayor.	Confidential, but subject to PRA request

<sup>1</sup> GME = General Municipal Election

<sup>2</sup> Percents are of Total Population based on 2006-2012 Am. Com. Survey

<sup>3</sup> Since 2000

<sup>4</sup> Primary terms concerning electoral system only

<sup>5</sup> OC = Out of Court settlement

City Population 2010	Charter	Electoral System	GME Date	Minority %	Minorities Elected	Demand Letter	Lawsuit Filed	Procedural Status	Settlement Terms; Other Actions	Attorneys Fees to Plaintiffs
Escondido 143,911	No	At-large	Nov. Even	48% Latino	Yes	Yes	Yes	Consent decree	SMD established by Comm'n; keep at-large mayor.	\$385k
Fullerton 135,161	No	At-large	Nov. Even	34% Latino	Yes	Yes	Yes	Compl. Served Aug. 2014	N/A	N/A
Highland 53,104	No	At-large	Nov. Even	49% Latino	No	Yes	Yes	Compl. served	Ballot Meas. for SMD	N/A
Los Banos 35,972	No	At-large	Nov. Even	68% Latino	Yes	Yes	No	N/A	Ballot Meas. for SMD	N/A
Merced 78,958	Yes	At-large w/ separately elected mayor	Nov. Odd	49% Latino	Yes	Yes	No	N/A	Ballot Meas. for SMD & to change GME to Nov. Even; keep separate mayor	N/a
Modesto 201,165	Yes	Numbered posts with at-large voting	Nov. Odd	36.5% Latino	Yes	No	Yes	Settled for fees	Ballot Meas. for SMD w/ separate mayor successful	\$3.0 Mil.
Palmdale 153,750	Yes	At-large w/ separately elected mayor	Nov. Odd	55% Latino 13% Af.Am.	Yes	Yes	Yes	On Appeal	N/A	\$3.5 Mil., on Appeal
Riverbank 22,678	No	At-large	Nov. Even	55% Latino	Yes	Yes, countywide	No	N/A	Ballot Meas. for SMD	N/A

City Population 2010	Charter	Electoral System	GME Date	Minority %	Minorities Elected	Demand Letter	Lawsuit Filed	Procedural Status	Settlement Terms; Other Actions	Attorneys Fees to Plaintiffs
Santa Barbara 88,410	Yes	At-large w/ separately elected mayor	Nov. Odd	40%	Yes	Yes	Yes	Compl. served late July 2014	N/A	N/A
Santa Clarita 176,320	No	At-large	Apr. Even	30% Latino	Yes, in at-large system but after lawsuit filed	No	Yes	Settlement (Court Supervised)	Req. to BOS to change GME to Nov. Even; Cum. Voting if approved by court and w/in specified cost limitations	\$600k less poss. contrib. to implement. of cum. voting
Tulare 59,278	Yes	At-large	Nov. Even	56% Latino	Yes	Yes	Yes	OC Settlement; Complaint dismissed	Ballot measure for SMD successful	\$225k
Turlock 68,549	No	At-large	Nov. Even	35% Latino	No	Yes, countywide	No	N/A	Ballot measure for SMD w/ separate mayor	N/A
Visalia 124,442	Yes	At-large	Nov. Odd	45% Latino	Yes	Yes	Yes, after ballot measure for SMD failed	Settled; Stip. Judgment	Court ordered process for SMD	\$125k
Whittier 85,331	Yes	At-large	Apr. Even	66% Latino	No, but yes in 1990s	Yes	Yes	Mot. to Dismiss by City & Mot. to Amend by Pltfs	Ballot Meas. for SMD w/separate mayor successful	N/A



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**The California Voting Rights Act - an Update**  
League of California Cities Annual Conference  
Thursday, September 4, 2014, 1:00 - 2:15 p.m.

# The California Voting Rights Act - an Update

- California Elections Code §§ 14026 – 14032

The CVRA prohibits at large electoral systems that impair the right of a protected class to elect, or influence the election of, its chosen candidates. It applies to:

- ❖ At-large elections
- ❖ “From-district” Elections
- ❖ Districts & Separate Mayor?
- ❖ Alternative Systems, e.g., Ranked Choice?

# **The California Voting Rights Act - an Update**

- **CVRA based on Section 2 of FVRA.**
- **Section 2 applies nation-wide.**
- **Section 2 forbids any “qualification or prerequisite to voting or standard, practice, or procedure ... which results in a denial or abridgement of the right of any citizen of the United States to vote on account of race or color” or membership in a language minority group.**

# The California Voting Rights Act - an Update

- Under § 2, a plaintiff must first establish the three *Gingles* threshold preconditions:
  - “First, the minority group must be able to demonstrate that it is sufficiently large and geographically compact to constitute a majority in a single-member district. . . .
  - Second, the minority group must be able to show that it is politically cohesive. . . .
  - Third, the minority must be able to demonstrate that the white majority votes sufficiently as a bloc to enable it . . . to defeat the minority’s preferred candidate.”

*Id.* at 50-51 (internal citations and footnote omitted).
- Many cases have failed because plaintiffs failed to establish the first precondition.
- A violation must ultimately be proven based on the totality of the circumstances.

# **The California Voting Rights Act - an Update**

- In the late 1990s and early 2000s, voting rights plaintiffs nationwide, but especially in California, were experiencing trouble bringing successful actions under Section 2 of the federal Voting Rights Act.
- Many of the most blatantly problematic voting structures had been remedied, and voting rights groups perceived the federal courts as less-than-entirely hospitable to their claims.

# **The California Voting Rights Act - an Update**

- **Solution: The CVRA**
- **Enacted in 2002 (S.B. 976).**
- **Took effect January 1, 2003.**
- **Elections Code 14025 to 14032**
- **As MALDEF (Mexican-American Legal Defense and Education Fund) put it, the “[b]ill makes it easier for California minorities to challenge ‘at-large’ elections.”**

# The California Voting Rights Act - an Update

- What is prohibited?
- The language is very unclear. The Court of Appeal in *Sanchez v. City of Modesto* remanded the case to the superior court to determine the elements of a claim. The case settled before that happened.
- The trial court in *Jauregui v. City of Palmdale* (currently on appeal) held that it was sufficient if plaintiffs proved that polarized voting occurred in the at-large electoral system.

# The California Voting Rights Act - an Update

Plaintiffs at least need to show:

1. At-large election systems in which,
2. Voting patterns correlate with the race of the voter.

Trial Court in *Jauregui v. City of Palmdale* stopped here, and ruled in favor of Plaintiffs. Which other factors are required, and the exact elements, are part of the pending appeal from the trial court decision in *Jauregui v. City of Palmdale*.

3. Impairment of the ability of voters in the protected class to elect the candidate of their choice?
4. The minority-preferred candidate (who is also of the same protected class) loses?
5. Dilution demonstrated based on the totality of the circumstances?

Charter cities are subject to CVRA:

*Jauregui v. City of Palmdale*, 226 Cal. App. 4th 781 (2014), petition for review pending.

# The California Voting Rights Act - an Update

What are “Appropriate” Remedies:

- Court- and Plaintiff-Approved Single-Member Trustee Areas?
- “Influence districts”?
- Continuing Jurisdiction?
- “Remedial” Racial Gerrymandering?
- Removal from Office of council members elected at-large?
- Enjoining elections?
- Change of election date?

(All of the above was ordered in *Jauregui v. City of Palmdale*, and are challenged in the pending appeal.)

- Establishment of alternative electoral systems?

# The California Voting Rights Act - an Update

## **Salient litigation to date: all cases that have settled, paid fees to plaintiffs' attorneys:**

- City of Modesto (*Sanchez v. City of Modesto*, 145 Cal. App. 4th 660 (2006), *rev. denied*, 2007 Cal. LEXIS 2772 (Mar. 21, 2007), *cert. denied*, 128 S. Ct. 438 (U.S. Oct. 15, 2007).)
- Madera Unified School District (*Reyes v. Madera Unified School District*, 203 Cal. App. 4th 1223 (2012).) (Stipulated judgment.)
- Hanford Joint Union High School District - settled
- Tulare Local Healthcare District - settled 1<sup>st</sup> day of trial
- Ceres Unified School District - settled
- City of Compton - settled
- San Mateo County - settled
- Compton Community College District - settled
- City of Tulare - settled
- Cerritos Community College District - settled
- City of Palmdale - judgment against City, on appeal on merits
- City of Anaheim - settled

(Cont'd)

# The California Voting Rights Act - an Update

**Salient litigation to date: all cases that have settled, paid fees to plaintiffs' attorneys:**

- City of Escondido – settled
- City of Santa Clarita – settled
- City of Whittier– litigation pending
- City of Highland– complaint recently filed
- City of Visalia – settled
- City of Bellflower– complaint recently filed
- City of Fullerton – complaint recently filed
- City of Santa Barbara– complaint recently filed
- ABC Unified School District – settled
- Glendale Community College District (case dismissed; no fees)
- Santa Clarita Community College District – settled

Many continuing threats of litigation.

# **The California Voting Rights Act - an Update**

- **Most cities are without the ability to address the potential of CVRA liability except through the ballot box, which poses additional risks (compare the outcome in City of Compton and County of San Mateo, to that in City of Escondido and City of Visalia). Careful analysis of exposure and, if indicated, preparations for a political solution are essential.**
- **And then there is the extraordinary case of the City of Whittier: voters approved change to SMD, but litigation continues (San Mateo County too).**

# The California Voting Rights Act - an Update

- Elusive Legislative “Fix”

AB 2330 (2009-2010 Reg. Sess.) (Arambula): if enacted, this bill would have imposed a claim-filing requirement and a 30-day response period before a lawsuit could be filed against a school district. It would have given districts a mechanism to avoid litigation and possible attorneys’ fees. The bill died in committee.

AB 684 (2011-2012 Reg. Sess.) (Block): enacted into law in late 2011, this bill streamlined the process by which community college districts are able to move from at-large elections to by-district elections. This bill permits CCDs to adopt district elections with only the concurrence of the California Community College Board of Governors.

# The California Voting Rights Act - an Update

## Experience of California Cities:

- **1 litigated to judgment, lost, \$3.5 mil. fee award to plaintiffs' attorneys, case on appeal** (Palmdale)
- **4 new lawsuits filed** (Bellflower, Fullerton, Highland [measure on Nov. 2014 ballot], Santa Barbara [CVRA study ongoing])
- **4 placed measures on November 2014 ballot after CVRA demand letter. To date, no lawsuits filed** (Los Banos, Merced, Riverbank, Turlock)
- **1 placed measure on ballot after demand; measure failed; litigation filed and settled, including fees to plaintiffs' attorneys** (Visalia [court supervised process for SMD])

# The California Voting Rights Act - an Update

- 1 placed measure on ballot after demand; measure successful; ongoing litigation filed between demand and vote (Whittier)
- 2 placed measures on ballot soon after CVRA litigation filed, one measure successful, the other not, litigation settled, including fees to plaintiffs' attorneys (Tulare, Escondido [consent decree for SMC by commission])
- 4 settled at various later stages of litigation, settlement included fees to plaintiffs' attorneys (Modesto [settlement involved fees only], Anaheim [ballot measures for SMD & to increase council size], Compton, [ballot measure for SMD successful], Santa Clarita [reschedule muni .elec. & initiate cum. voting subj. respectively, to county approval and court approval])

# The California Voting Rights Act - an Update

- New Voting Rights Legislation

## SB 1365 (Padilla)

*This bill would provide parallel provisions to the existing CVRA that prohibit the use of a district-based election system in a political subdivision if it would impair the ability of a protected class, as defined, to elect candidates of its choice or otherwise influence the outcome of an election. The bill would require a court to implement specified remedies upon a finding that a district-based election was imposed or applied in a manner that impaired the ability of a protected class to elect candidates of its choice or otherwise influence the outcome of an election.*

# The California Voting Rights Act - an Update

## AB 280 (Alejo)

*This bill would establish a state preclearance system. Under this system, if a political subdivision enacts or seeks to administer a voting-related law, regulation, or policy, as specified, that is different from that in force or effect on the date this act is enacted, the governing body of the political subdivision would be required to submit the law, regulation, or policy to the Secretary of State for approval. The bill would require the Secretary of State to approve the law, regulation, or policy only if specified conditions are met. The bill would provide that the law, regulation, or policy shall not take effect or be administered in the political subdivision until the law, regulation, or policy is approved by the Secretary of State. The bill would allow the governing body of the political subdivision to seek review of the Secretary of State's decision by means of an action filed in the Superior Court of Sacramento. By requiring local governments to seek approval of the Secretary of State for changes to voting procedures, this bill would impose a state-mandated local program.*

# The California Voting Rights Act - an Update

## AB 2715 (Hernandez)

*This bill would permit the legislative body of a city to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district if the voters of the city previously rejected such an ordinance, as specified. This provision would be repealed on December 31, 2016.*

*The bill would, commencing January 1, 2017, require the legislative body of a city with a population of 100,000 or more, as determined by the most recent federal decennial census, to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district. The bill would, commencing January 1, 2017, permit the legislative body of any other city to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district.*

# **Cooperative Agreements Between Public Agencies Risks and Rewards**

Jannie Quinn, City Attorney - City of Mountain View

Karen Thesing, Assistant VP Municipalities- Keenan

Mike Kasperzak , Moderator - Mountain View Councilmember

# Agenda

- ▶ What is a Cooperative Agreement?
  - ▶ Benefits and Use of Cooperative Agreements
  - ▶ Risk Management Considerations
    - Risk Transfer
    - Indemnification
    - Insurance/Joint Powers Authority Risk Insurance Pools
  - ▶ Sample provisions
- 

# What is a Cooperative Agreement?

- ▶ Agreements can take a number of different forms:
    - Agreement to provide goods or services to another public entity
    - Mutual Aid Agreements- Emergency management and law enforcement
    - Joint Powers Agreements- permits governmental agencies to join/create a legal entity to provide services and accomplish common goals
    - An agreement to transfer functions of a public entity or employee
- 

# Benefits and Use

- ▶ Agreements provide a number of opportunities for public entities:
  - Share equipment, resources or expertise
  - Consolidate existing services
  - Potential for cost savings
  - Combine purchase power
  - Regionalization
  - Join with other public entities with mutual interests and needs
    - Training

# Benefits and Use continued

- ▶ Defined in State Law
  - ▶ With a well drafted Cooperative agreement, cities can avoid having a judge or jury interpret the rights and responsibilities of the public entity.
  - ▶ If the language in these contracts is vague or ambiguous, the interpretation may cost the agency a significant amount of money (taxpayer dollars).
- 

# Risk Management Considerations

- ▶ Understand the goals of the Agreement
  - ▶ Understand the risk appetite/tolerance
  - ▶ Identify risks
  - ▶ Assess their relative severity/Exposure?
  - ▶ Mitigate risks
    - Contractual Risk Transfer
    - Proper insurance coverage in place
- 

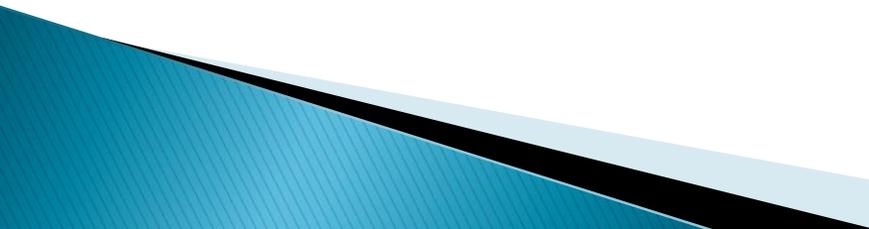
# Why are the Risk Transfer provisions necessary?

- ▶ Place responsibility for risks on the entity controlling the risk
- ▶ Allocate Risk Equitably between entities

# Risk Transfer Provisions

- ▶ Tailor agreement to specific situation
  - Indemnification Clause-
    - Without it, your city could be vicariously liable for the actions of another city
    - Who should bear the risk
  - Whose employee is it anyway?
    - Public Safety considerations

The verdict or judgment could exceed the amount of existing liability coverage



# Risk Financing - Insurance/JPIA's

- ▶ Overview of insurance in the municipal context
  - ▶ Stand-alone insurance policies
  - ▶ Joint Powers Authorities Risk Insurance Pools
    - Over 20 Municipal pools
    - Primary JPIA's
    - Excess JPIA's
- 

*March, 1986 - TIME Magazine documents the insurance crisis in America.*

In California, many local governmental entities found that coverage was either priced out of their reach or completely unavailable. Insurance companies refused to write coverage for most municipalities and canceled those they had.

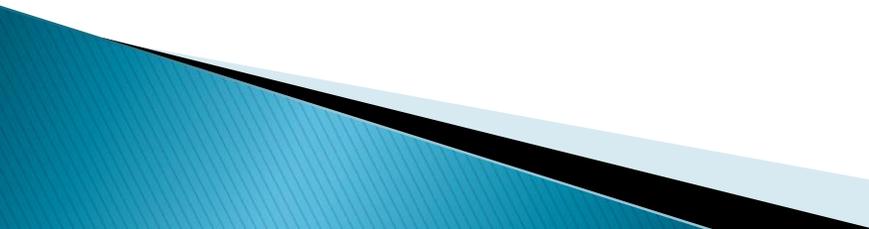
What went wrong?



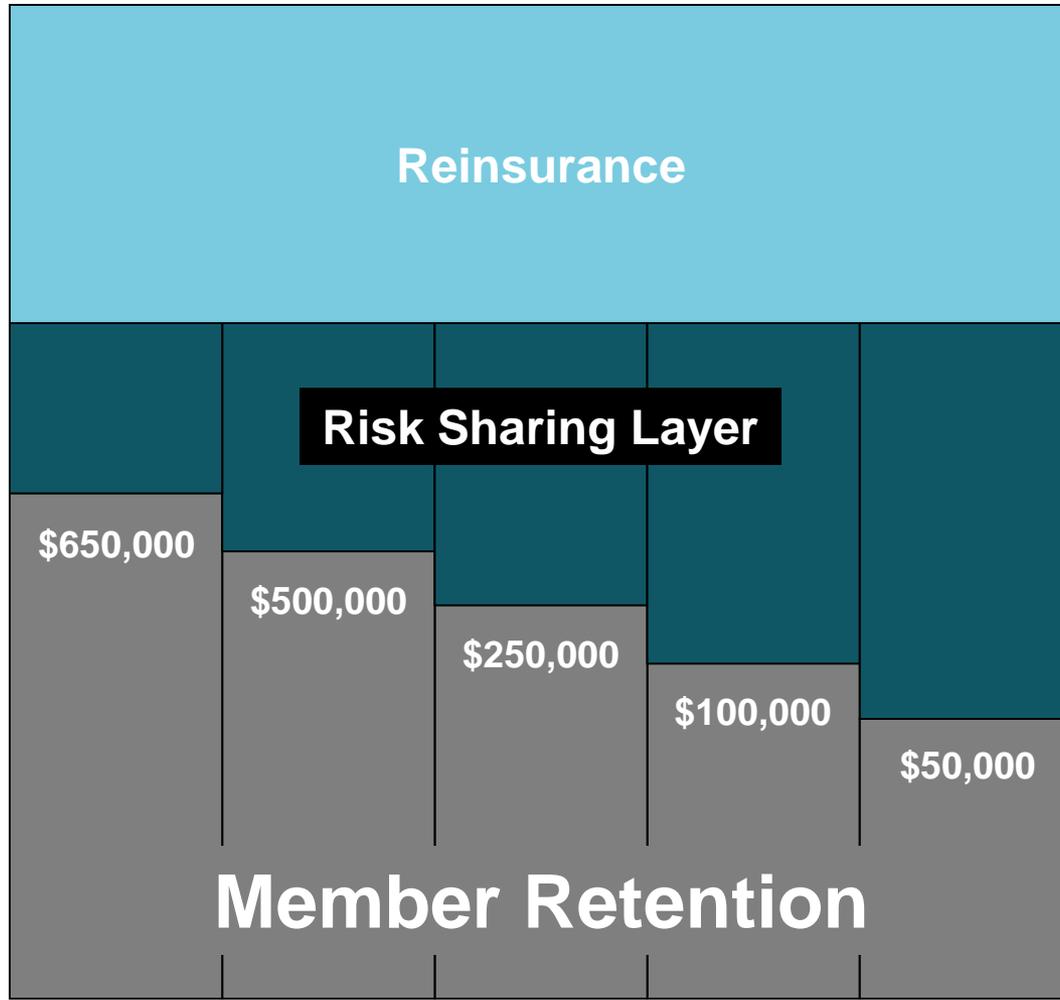
# What is a JPIA?

- ▶ A JPIA (or JPA) is a public agency formed to provide *insurance-type* coverages and risk management services to its members
  - ▶ Purpose of JPIA's is to reduce the amount and frequency of losses to any one member
  - ▶ Share the cost of risk amongst homogenous entities
- 

# Characteristics of a JPIA

- ▶ JPIA's "pool" their risk exposures
  - ▶ Not insurance law but contract law
  - ▶ Broad coverage provisions – Memorandum of Coverage
  - ▶ Lower rates & stable pricing models
  - ▶ Oversight of Underwriting & Claims function
  - ▶ Maintain and manage pool assets/assessments & dividends
- 

# Typical JPIA Structure



# General Liability Insurance Limits

- ▶ \$1M or \$5M, what's the exposure?
- ▶ Name the other party as an Additional Insured
- ▶ Policy shall be endorsed to provide such insurance as Primary and that no insurance of an Additional Insured shall be called upon to contribute to a covered loss
- ▶ **AVOID** -- "Each party agrees to maintain adequate insurance coverage for its equipment & personnel."

# Liability Assumed by Contract

- ▶ Liability coverage through JPIA's include liabilities assumed by a city via contract
  - ▶ Exposures assumed by contract increases the risks to the JPIA
    - JPIA often not aware of the contract stipulations
    - JPIA's becoming more concerned with Cooperative Agreements.
    - JPIA's may explore "limiting" pooled coverage if not brought into the exposure discussion
- 



- JPIA s' caught off-guard because they did not know services were contractually rendered.
- JPIA assumes the risk via contract stipulations

- City "x" looks to JPIA –exposure is over their SIR
- 3<sup>rd</sup> party sues all entities in Agreement

- Services result in 3<sup>Rd</sup> party claim
- City "x" enters into Cooperative Agreement

# ACCEL – Authority for CA Cities

## Excess Liability

- ▶ A Service for another entity that the Member Agency does not currently provide or conduct for itself.
  - ▶ A high-risk recreational Service .
  - ▶ An increase of 25% or more in the Member Agency's current payroll cost (excluding benefits) for providing or conducting such Service within its own organization.
  - ▶ Services for a government entity that is not geographically adjacent to the Member Agency .
  - ▶ Services for an organization that is not a government entity.
- ▶ A situation or arrangement in which the Member Agency shares management staff (by position, such as a battalion chief, not necessarily any named individuals) with another entity in (i) non-emergency situations or circumstances, or (ii) other circumstances which may give rise to employment practices liability exposures for the Member Agency (unless there exists in the Service Agreement at least adequate mutual indemnification between the parties).
  - ▶ Any Service Agreement situation or arrangement that brings about an increased exposure to loss that is concerning, or reasonably should be concerning, to the risk management personnel/function of the Member Agency.

◦ April 12, 2012

# Property & Workers' Compensation Coverage

## ▶ Property

- All Risk Property policy, 100% of Total Insured Value
- Each city is responsible for loss or damage to their own equipment
- Liability will rest with city in possession of a shared piece of equipment

## ▶ Workers' Compensation:

- In accordance with California Labor Code 3700 Statutory limits
- Obtain Waiver of Subrogation

# Importance of Insurance

- ▶ Insurance language flows from the Agreements
  - ▶ Insurance is the “collateral” for the indemnification. Ensures there are funds available to back up the indemnity provisions
  - ▶ Obtain Certificate of Insurance document to ensure compliance
  - ▶ Obtain Additional Insured Endorsement in addition to receiving indemnification language
- 

# Who should be involved in drafting the Cooperative Agreement?

- ▶ Department Representatives
  - ▶ City Attorney
  - ▶ Risk Manager
  - ▶ JPA Risk Insurance Pool
- 

# Examples of Risk Transfer Clauses

- ▶ General Liability:

“For the purposes of liability, employees of the city sending assistance are deemed to be employee of the city receiving assistance. It would therefore be the liability of the city receiving assistance to defend and indemnify the sending city’s employees if that employee was sued for activities while providing the assistance.”

# Examples of Risk Transfer Clauses

- ▶ “Agency shall not be responsible for any act or omission of its employee while serving as an employee of City or the act or omission of employees from other Agencies pursuant to this Agreement. To the extent permitted by law, City and JPA agree to indemnify, protect, defend with counsel reasonably acceptable to Agency and hold harmless Agency, its Council, officers, employees, volunteers and agents from and against any claim, action, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney’s fees in providing a defense to any claim, arising from, or alleged to arise from any negligent, reckless or wrongful acts, errors, or omissions with respect to or in any way connected to the performance of the services by Agency, its employees, officers or agents or the use of Agency equipment under this Agreement, except for any claim, injury, liability, loss, cost, and/or expense or damage directly and proximately caused by the sole and active negligence or willful misconduct of Agency.”

# Examples of Risk Transfer Clauses

- ▶ General Liability/Property Sharing
  - The Using Municipality with the care, custody, and control of the EQUIPMENT shall defend, indemnify and hold harmless the title owner Municipality and all participating Municipalities from any and all suits, claims or action of any kind from personal injury or property damage

# Workers' Compensation Coverage

- ▶ Workers' Compensation
  - Each city is financially responsible for all associated workers' compensation benefits and payments for their own employees, including LC4850 and any PERS disability retirement for any injuries arising out of said Agreement; or

# Workers' Compensation Coverage

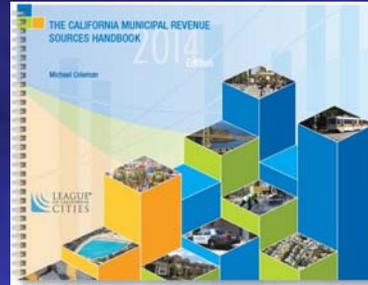
continued

- ▶ Workers' Compensation
  - Employees of the responding party will be considered employees of the requesting party while under the requesting parties supervision.
  - The requesting city will be responsible for reimbursing the responding city for all workers' compensation costs incurred on behalf of the employee related to the services provided

**Questions?**



# The Update All About Municipal Revenues



**Michael Coleman**

League of California Cities ♦ C S M F O

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[CaliforniaCityFinance.com](http://CaliforniaCityFinance.com)

The California Local Government Finance Almanac

## The Mechanics of Government Revenue

Who pays?  
*visitors, residents,  
businesses, etc.*

What rate / base?  
*\$per gallon, % per price,  
depreciated value, etc*

Who collects?  
& enforces  
payment?

How's it  
allocated?  
*situs;  
pooled/population,  
etc.*

What is the \$  
used for?  
*general, water,  
roads, parks etc.*

Who decides?

- o Statewide voters / Constitution
- o State law / Legislature
- o Local voters
- o Local law / City Council



# Taxes

- ✓ Charges which pay for public services and facilities that provide general benefits. No need for a direct relationship between a taxpayer's benefit and the tax paid.
- ✓ Cities may impose any tax not otherwise prohibited by state law. (Gov Code § 37100.5)
- ✓ The state has reserved a number of taxes for its own purposes including:
  - cigarette taxes, alcohol taxes, personal income taxes.
- ✓ **General & Special**
  - General Tax - revenues may be used for any purpose.
    - Majority voter approval required for new or increased local tax
  - Special Taxes - revenues must be used for a specific purpose.
    - 2/3 voter approval required for new or increased local tax
    - Parcel tax - requires 2/3 vote

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# Fees and the Rest

Any levy, charge or exaction of any kind imposed by a California government, is a **tax** except:

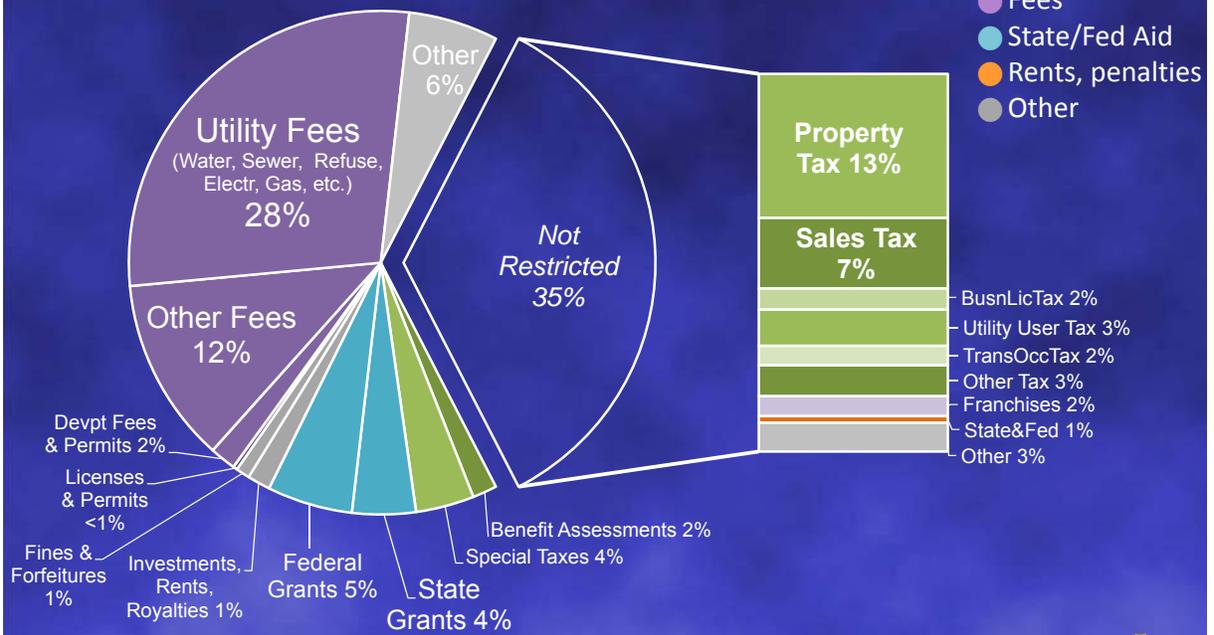
- **User Fees and Assessments:** for a privilege/benefit, service/product  
Planning permits, development fees, parking permits, user fees, copying fees, recreation classes, etc.
- **Regulatory Fees:** regulation, permits, inspections  
Permits for regulated commercial activities (e.g., dance hall, bingo, card room, check cashing, taxicab, peddlers, catering trucks, massage parlor, firearm dealers, etc.); fire, health, environmental, safety permits; police background checks; pet licenses; bicycle licenses.
- **Rents:** charge for entrance, use or rental of government property  
Facility/room rental fees, room rental fees, equipment rental fees, on and off-street parking, tolls, franchise, park entrance, museum admission, zoo admission, tipping fees, golf green fees, etc
- **Penalties** for illegal activity, fines and forfeitures, etc.  
Parking fines, late payment fees, interest charges and other charges for violation of the law.
- **A payment that is not imposed** by government  
Includes payments made pursuant to a voluntary contract or other agreement that are not otherwise "imposed" by a government's power to coerce.

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California Constitution re Prop218(1996, Prop26(2010), etc.



# California City Revenues



Source: CaliforniaCityFinance.com computations from data from California State Controller (revenues).

CaliforniaCityFinance.com



# Discretionary Revenues and Spending

Typical Full Service City



CaliforniaCityFinance.com

Source: Coleman Advisory Services computations from State Controller reports



# Taxes and Fees/etc. Approval Requirements (California Constitution)



	TAX- General	TAX- Parcel or Special (earmarked)	G.O.BOND (w/tax)	Fee / fine / rent
City / County	Majority voter approval	Two-thirds voter approval	Two-thirds voter approval	Majority of the governing board.*
Special District	n/a	Two-thirds voter approval	Two-thirds voter approval	Majority of the governing board.*
K-14 School	n/a	Two-thirds voter approval (parcel tax)	55% voter approval*	Majority of the governing board.*
State	For any law that will increase the taxes of any taxpayer, two-thirds of each house of the Legislature ...or approval of majority of statewide voters.		Statewide majority voter approval	Majority of each house.

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## Property Tax

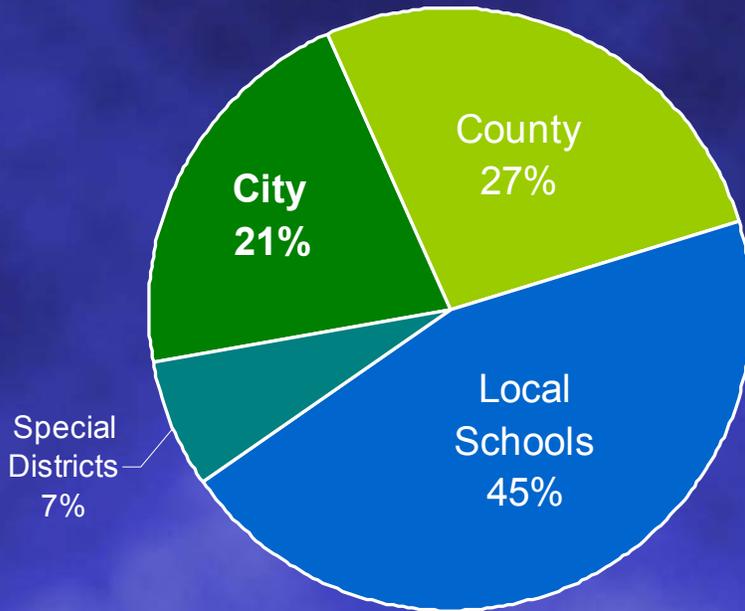
- ✓ An *ad valorem* tax imposed on real property and tangible personal property
- ✓ Maximum 1% rate (Article XIII A) of assessed value, plus voter approved rates to fund debt
- ✓ Assessed value capped at 1975-76 base year plus CPI or 2%/year, whichever is less
- ✓ Property that declines in value is reassessed to the lower market value.
- ✓ Reassessed to current full value upon change in ownership (with certain exemptions)
- ✓ Allocation: shared among cities, counties and school districts according to state law.

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# Where Your Property Tax Goes

Typical city resident



### Shares Vary!

- ✓ Non-Full service cities: portion of city shares go to special districts (e.g. fire)
- ✓ Pre-prop13 tax rates
- ✓ Everyone gets Prop-Tax In Lieu of VLF shares – except new cities since 2004.

Includes Property Tax in-lieu of VLF.

Typical homeowner in a full service city not in a redevelopment area.

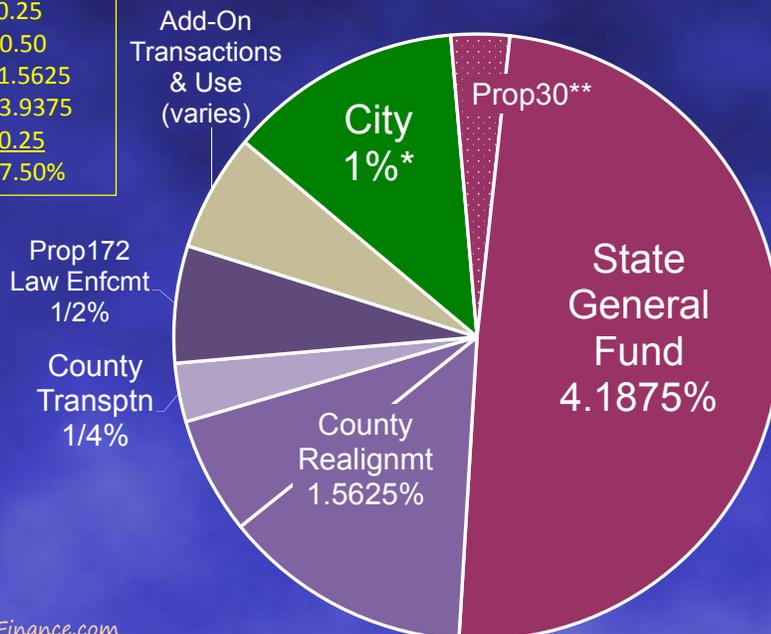
Source: Coleman Advisory Services computations from Board of Equalization and State Controller data.  
CaliforniaCityFinance.com



# Where Your Sales Tax Goes

Full rate 2014 (ignoring "Triple Flip")

City*	1.00
Co Transp	0.25
Prop172	0.50
Co Realign	1.5625
State GF	3.9375
Prop30	0.25
<b>Total Base</b>	<b>7.50%</b>



\* Local 1% rate includes 1/4% Triple Flip reimbursement.

For taxable sales in unincorporated areas, the local 1% rate goes to the county.

\*\* 1/4% Proposition 30 state sales tax effective 1/1/2013 expires 12/31/2016

CaliforniaCityFinance.com



# ALL YOU WANTED TO KNOW ABOUT MUNICIPAL REVENUES

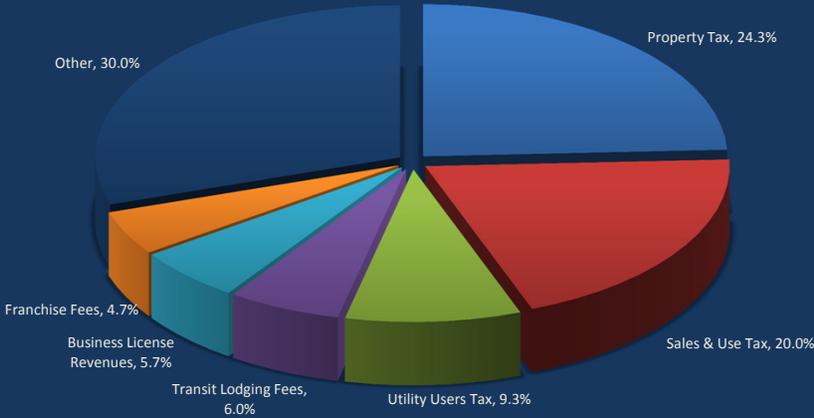


September 4, 2014  
League of California Cities



## GENERAL REVENUE SOURCES 2011-12\*

\*California State Controller's Report



## Property Tax

1% of Assessed Value Plus.....

- + Debt and retirement bonds approved by voters before 1978.
- + General obligation bonds approved by voters after 1986 (Proposition 42).
- + Annual water obligations incurred by Water Districts via 1960 voter approved State Water Project.



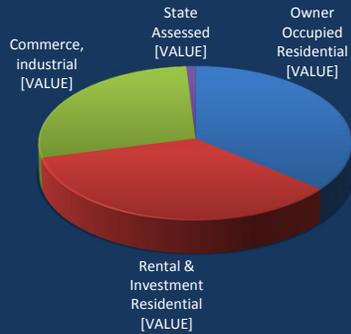
## Property Tax Valuation

1975-76 cash value (or most recent purchase price) Plus:

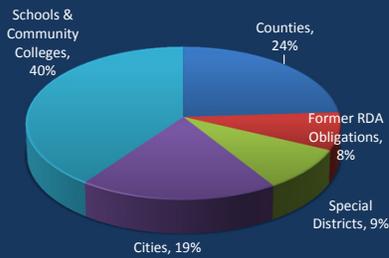
- + Value of subsequent improvements and assessed personal property.
- + CPI growth (capped at 2% annually).



### Where It Came From - 2013-14



### Where It Went - 2013-2014

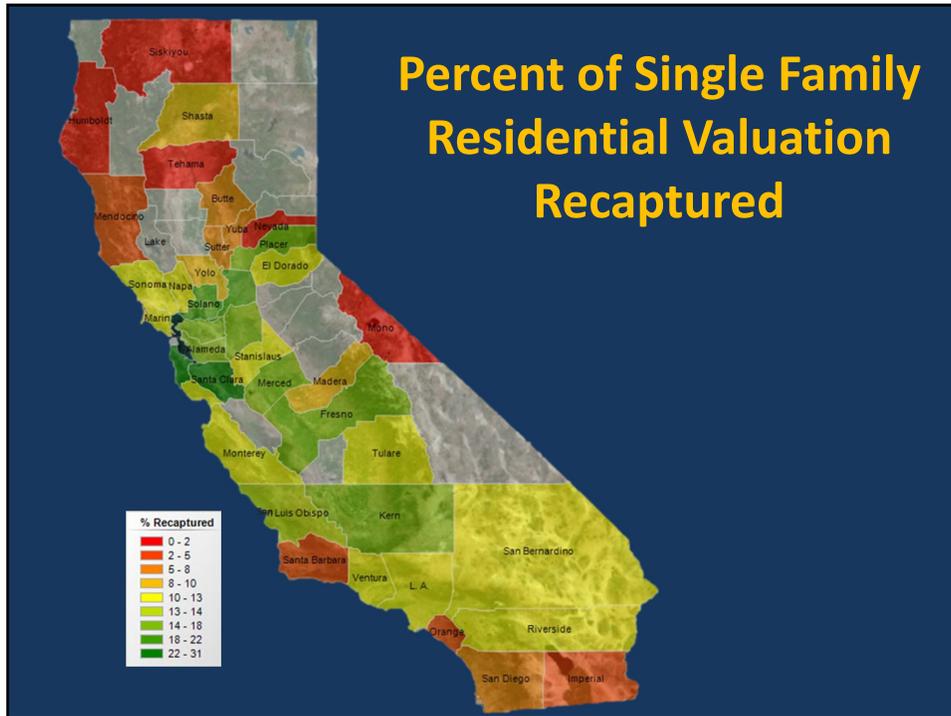


Source: Legislative Analyst

## Proposition 8 Recovery



## Percent of Single Family Residential Valuation Recaptured



## Maximization of Property Tax Revenues

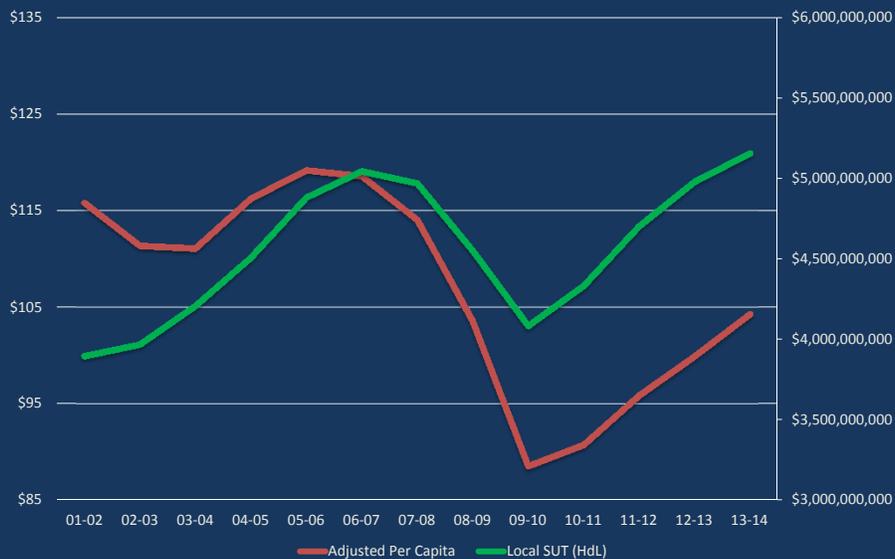
- Proper coding of Tax Rate Areas (TRAs).
- Proper Coding of Unsecured Personal Property.
- Proper Identification of Possessory Interests.
- Communicate new development to County Assessor.
- Evaluation of Teeter Option.

## Sales, Use and Transactions Taxes...

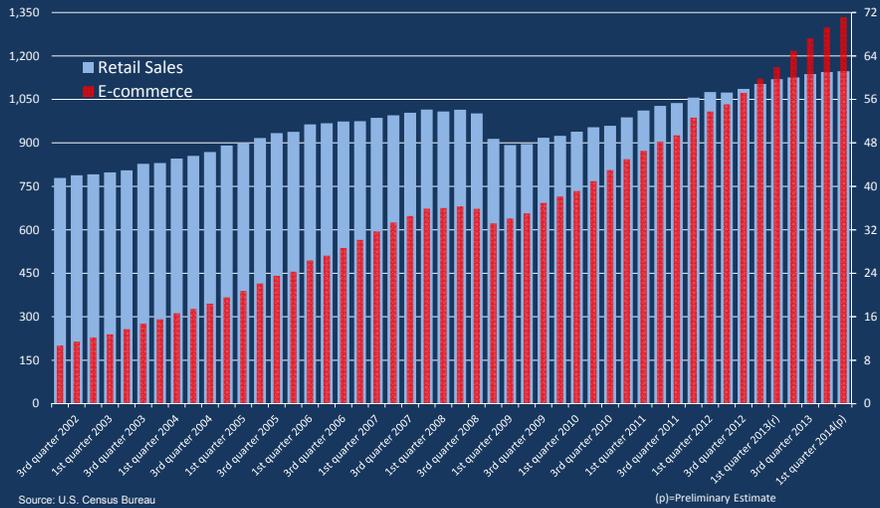
- 🌸 One Cent Local Tax (Point of Sale)
  - County State and Allocation Pools
  - State Administrative Fees
  - Triple Flip Deduction/Reimbursement
  - County Bite
- 🌸 Transactions Tax Overrides (Point of Purchase)
- 🌸 Proposition 172 Public Safety (Via Counties)



## STATEWIDE LOCAL SALES TAX AND USE TAX



## Percentage Growth in E-Commerce Sales versus Total Retail Sales (Billions of Dollars)



## Maximization of Sales and Use Tax

### 🎯 Sales Tax.....

Accurate coding of sales offices and order desks, “over the counter” transactions vs. installation sales, warehouses.

### 🎯 Use Tax.....

Out-of-State purchases over \$500,000, Construction contracts exceeding \$5 million, Direct Payment Permits.

### 🎯 Economic Development Tool.....

Track who is growing and may need expansion room, Analyze market voids, Identify leveraging opportunities



## Maximizing Utility Users Tax

- 🌸 154 Cities – rates of 1% to 11% .....Gas, water, sanitation, electricity, telecommunications
- 🌸 Constantly evolving technology – need to keep ordinances current with changing times.
- 🌸 Key audit concerns:
  - All city users properly identified and captured.
  - All charges included & levied in-line with city ordinances.
  - Subpoenas often required particularly for telecommunications data.



## Maximizing Business License Revenues

- 🌸 Simple/Transparent/Equitable.....
  - Periodic review & update of classifications, Review & rebalance fees,
  - Build in CPI increases
- 🌸 Consistent and Equal Enforcement.....
  - Track unlicensed businesses, Follow-up on delinquencies
  - Verify exemption claims
- 🌸 Make It Easy on Taxpayer.....
  - On-line applications and renewals, Log in for emergency contact updates, free listing on City Business Directory





## Maximizing Transient Occupancy Tax

### Three Year Audit Cycles

- Miscoded or understated fees & charges
- Accurate reporting of exemptions and comps

### Update Ordinances with Changing Times

- Collaborative Economy (Airbnb, homeaway, onefinestay, etc.)
- Online travel companies (Expedia, Orbitz, Hotwire, etc.)



## Maximizing Franchise Fees

### Proper coding of City Boundaries

### Proper reporting of all sources of revenues – Franchisee & affiliate companies

### Track utility easements – gas, water, electric, oil





## The Bottom Line.....

- 🧩 Continuous updating and rebalancing with evolving business concepts and trends.
- 🧩 Thorough and consistent monitoring & enforcement.
- 🧩 Keep it simple...easy to comply, easy to enforce.



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Lloyd de Llamas 9/4/14

# ALL YOU WANTED TO KNOW ABOUT MUNICIPAL REVENUES: THE UPDATE

Presented by:  
Michael Coleman  
Lloyd deLlamas  
Tim Seufert  
Michael Colantuono



# SPECIAL FINANCING DISTRICTS



By Tim Seufert



## LEGISLATIVE AND LEGAL UPDATE / TRENDS

- ▶ 2/3 approval for parcel taxes and CFDs
- ▶ Assessments still viable
- ▶ General Fee “right sizing”

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## SPECIAL FINANCING DISTRICTS – SPECIAL ASSESSMENTS AND TAXES

- ▶ Courts looking over our shoulders...
- ▶ Best practices for assessment engineering
- ▶ Be selective in feasibility analysis

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## SPECIAL ASSESSMENT:

### Burlingame – Downtown Improvements



- ▶ Downtown Burlingame Avenue years of deterioration
- ▶ Funding challenges
- ▶ Disparate interests coalesce

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## SPECIAL TAX / COMMUNITY FACILITIES DISTRICT:

### Pacheco Valle / City of Novato



- ▶ Community led effort
- ▶ CFD tax on area parcels
- ▶ 95% voter approval

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## PARCEL TAXES:

Santa Clara Valley Water District,  
Marin Emergency Radio Authority,  
Greater Vallejo Recreation District

- ▶ Focused needs
- ▶ EXTENSIVE outreach is key
- ▶ Stay on point



ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## GENERAL GOVERNMENT FEES:

- ▶ Cost Allocation is the foundation
- ▶ Have a robust policy discussion
- ▶ Understand the numbers and subsidies
- ▶ Develop a Master Fee Schedule
- ▶ Review and update on regular timeframe

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## GENERAL GOVERNMENT FEES:

### City of Seaside



- ▶ Brutal budget and staffing cuts
- ▶ Years since fees reviewed
- ▶ Education with council and public

ALL YOU WANTED TO KNOW  
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THE UPDATE



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## WATER RATES

- ▶ Conservation rates
- ▶ Recycled water rates
- ▶ Volumetric trends and challenges
- ▶ “Social Justice” rates?

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ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## WASTEWATER RATES

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- ▶ To be volumetric or not to be?
- ▶ Public education and outreach
- ▶ Capital investment

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ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## WASTEWATER RATES:

### City of Sausalito

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- ▶ Enhanced analysis of usage and customer classes
- ▶ Public education and outreach
- ▶ New Volumetric rate structure syncs residential and commercial rates
- ▶ *Notable Marin Grand Jury comments*

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## SUMMARY

- ▶ Do the analysis and know the numbers
- ▶ Have robust policy discussions
- ▶ Take action(s)
- ▶ Repeat often!

ALL YOU WANTED TO KNOW  
ABOUT MUNICIPAL REVENUES  
THE UPDATE



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## Q & A

BUY THE 2014 HANDBOOK!  
THANK YOU FOR ATTENDING

Contact Information:

### MICHAEL COLEMAN

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**LEAGUE OF CALIFORNIA CITIES  
2014 ANNUAL CONFERENCE**

**Keys to Success:  
Understanding Differences  
between Private and Public  
Employment**

*9/4/2014*

*PRESENTED BY:*

Laura Kalty & Elisa Cox



# Keys to Success: Understanding the Differences Between Private and Public Employment

League of California Cities 2014 Annual Conference | September 4, 2014

Presented by: Laura Kalty and Elisa Cox

LCW LIEBERT CASSIDY WHITMORE

**Keys to Success:  
Understanding the  
Differences Between Private  
and Public Employment**

League of California Cities 2014 Annual  
Conference | September 4, 2014

Presented By: Elisa Cox, Director of HR, Sierra Madre  
Laura Kalty, Partner, LCW



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**Keys to Success: Agenda**

- Public v. Private Sector Employment
- Personnel Management
- Labor Code
- The Public Records Act
- Liability

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**What Does It Mean To Be  
In Public Service?**

<p><b>Public Sector</b></p> <p><b>What Does the Agency Provide/What is the goal?</b></p> <ul style="list-style-type: none"><li>• Quality of Life services</li><li>• Protection and safety</li><li>• Maintenance of order in a civilized society</li></ul>	<p><b>Private Sector</b></p> <p><b>What Does the Business Provide/What is the goal?</b></p> <ul style="list-style-type: none"><li>• A product or service for purchase</li><li>• To earn a profit</li></ul>
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**Protection and Safety:  
Disaster Service Workers**

- All public employees must serve as disaster service workers.
- An employee becomes a disaster service worker upon the taking of the loyalty oath/affirmation.

Government Code §§ 3101, 3102

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**What Does It Mean To Be  
In Public Service?**

<b><u>Public Sector</u></b> <b>To Whom Is the Agency Responsible?</b> <ul style="list-style-type: none"><li>• Taxpayers</li><li>• Citizen residing within the agency limits</li><li>• Businesses operating within the agency limits</li></ul>	<b><u>Private Sector</u></b> <b>To Whom Is the Business Responsible?</b> <ul style="list-style-type: none"><li>• Stockholders</li><li>• Investors</li></ul>
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**Gifts of Public Funds**

No City, County, or other political subdivision shall “have power to grant any gift or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation whatever;...”

- California Constitution, Article 16, § 6

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**Case Study**

Nicole was employed as an Accounting Tech I for the City before she was promoted to Accounting Analyst I. Per civil service rules, when employees are promoted, they start at Step 1 and increase in steps by satisfactory or better performance evaluations each year. When Nicole was promoted she was given an HR form that mistakenly showed her new classification and salary placement at Step 5. Nicole signed the form and received her salary at Step 5 for one year.

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**Case Study**

At the time of Nicole's annual step increase, it was discovered that she was at Step 5, rather than Step 1. Nicole had received approximately \$8,000 more over the course of the year than she would have been entitled.

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**Case Study**

**Which of the following are true:**

- a. The City can require Nicole to pay back the \$8,000 of overpayment.
- b. The City can place Nicole in Step 2.
- c. Nicole has a right to remain in Step 5 because a contract was signed.
- d. The City's only recourse is to deny step increases until Nicole's overpayment has been "earned back."

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**Incompatible Service**

Rick is a parks maintenance worker for the City working Monday – Friday, 6:00 a.m. to 3:00 p.m. Rick recently picked up a second job as part of a night time janitorial crew working 5:00 p.m. to 11:00 p.m. Sunday – Thursday.

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**Incompatible Service**

**Which of the following are true?:**

- a. The City can require Rick to get City approval before accepting employment in the second job.
- b. The City can prohibit Rick from holding the second job as a condition of employment with the City.
- c. The City cannot regulate off-duty conduct unless there is a "significant nexus" to City employment.
- d. The second job has no impact on Rick's City employment.

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**Case Study**

Jose is responsible for issuing licenses and permits for local business. Due to budget cuts, the new MOU came with a salary freeze and the City ceasing payment of member contributions to retirement. This has caused low morale. Jose has been taking a lot of sick leave because he has not felt like going to work. As a result, his workload has backed up and permits and licenses have taken longer to process than usual.

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## Slide 11

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**EC1** Elisa Cox, 8/11/2014

**EC2** Tie this into disaster service workers - the necessity to know an employee can and will return to work in an emergency situation - next slides could be on oaths, etc.

Elisa Cox, 8/11/2014

**EC3** Elisa Cox, 8/11/2014

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**Case Study**

Fernando, after being laid off, decided to open a restaurant with his wife using their savings. Fernando applied for a business license and permit which landed on Jose's desk. Jose took three months longer to process the license and permits. As a result the restaurant did not open in time for the peak summer season and could not open until September 1.

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**Case Study**

- What are the possible impacts to Fernando and his wife for the delay in receiving the permits and licenses?
- How else might the delays impact the public service?

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**Personnel Management: Discipline**

- Governed by State and Federal law and employing agency's standards and policies
- Memorandum of Understanding
- Ordinances
- Personnel Rules
- Department Rules/Procedures

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**The Checklist for Appropriate Discipline**

- Progressive Discipline Considerations
  - Seriousness of problem
  - Have there been other discipline problems in the past, and over how long a time span?
  - How long has the employee worked for the City, and what was the quality of performance?
  - Are there extenuating circumstances related to the problem? For example, if there was a fight, was the employee provoked?

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**Personnel Management: Discipline**

- Types of progressive disciplinary measures
  - Counseling
  - Verbal reprimand
  - Written reprimand
  - Suspension
  - Reduction in pay
  - Demotion
  - Discharge

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**Personnel Management: Discipline**

- *Skelly* rights include:
  - Written notice of charges
  - Notice of facts upon which charges are based
  - Documents supporting the discipline
  - An opportunity to respond to charges prior to final imposition of discipline

*Skelly v. State Personnel Bd.*, (1975)  
15 Cal.3d 194, 124 Cal.Rptr. 14.

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**Case Study**

A truck driver is employed by Department of Water and Power (DWP). The DWP found him sleeping in a hammock beneath a DWP truck on a public street during work hours. When supervisors approached him, the driver gestured at the two men by raising his middle finger, and he later called one of the supervisors a snake. A DWP manager investigated the incident and recommended terminating the truck driver based on each of these grounds. The manager then conducted the driver's *Skelly* meeting.

**Has *Skelly* been violated?**

*Flippin v. Los Angeles City Board of Civil Service Commissioners* (2007) 148 Cal.App.4th 272.

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**Personnel Management: Discipline**

- *Lubey* Rights for at-will employees
  - At-will employees may be entitled to procedural protection if a discharge has the potential to seriously affect an employee's reputation
  - Name-clearing conference is akin to a *Skelly* meeting

*Lubey v. City and County of San Francisco* (1979) 98 Cal.App.3d 340.

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**Keys to Success: Personnel Management**

- Surround Yourself with Competent People
  - Invest time necessary to hire best employees
  - Conduct thorough background investigations
  - Terminate during probation if in doubt
  - Don't let personal relationships cloud employment decisions
  - Enforce rules by disciplining employees (including supervisors) who violate them

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**Personnel Management:  
Employee Rights**

- Political Activity
  - Public employees are prohibited from engaging in political activity while on duty
  - However, public employees are entitled to engage in political activity outside of work almost without limitation

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**Personnel Management:  
Employee Rights**

- Free Speech: public employees have 1st Amendment protections
  - To be protected, speech must be made as a private citizen and pertain to a matter of public concern.
  - If so, employee's interests in speech must outweigh employer's operational interests.
  - Employees may engage in political activity, but are statutorily prohibited from doing so on duty.

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**Personnel Management:  
Employee Rights**

- Employees Have 2 Types of Privacy Interests
  - Informational privacy:
    - Confidentiality of personal matters
  - Autonomy privacy:
    - Freedom over personal conduct

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# Keys to Success: Understanding the Differences Between Private and Public Employment

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**Personnel Management:  
Employee Rights**

- Standard of Review for Right to Privacy  
– Courts Use a Balancing Test:  
  
Employee's Reasonable  
Expectation of Privacy  
vs.  
Employer's Legitimate  
Business Needs

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**Case Study**

The City issued smart phones to each of its fire fighters for City use. The City has a cell phone policy advising employees that City-issued smart phones are for City use only and are subject to monitoring. Fred, a fire fighter, commonly uses his smart phone to text his girlfriend and she also sends Fred racy text messages with pictures of herself.

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**Case Study**

The City's account administrator has noticed that billings for Fred's smart phone have incurred overage charges unlike other fire fighters. This is reported to the Fire Chief who is concerned that Fred may be using the smart phone for personal purposes and orders a review of Fred's smart phone data usage.

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**Case Study**

During the course of the investigation, the City reviews Fred's text messages sent and received during work hours and discovers the messages with Fred's girlfriend. Fred is disciplined for misuse of public property.

**True or False:**  
**The City engaged in an unlawful search of Fred's smart phone.**

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**Labor Code Sections that DO NOT Apply to Public Agencies**

- Sections 200 through 211 and 215 through 219
  - Requirements and prohibitions regarding payment of wages including timing of payments, posting requirements and immediate payment of wages upon discharge or layoff
  - Penalties for violations relating to payment of wages

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**Labor Code Sections that DO NOT Apply to Public Agencies**

- Sections 226 and 226.3 do not apply EXCEPT:
  - Employers, including government agencies, may use no more than the last 4 digits of the employee's social security number on a check, draft or voucher paying employees wages.

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**Sections Regarding Wages**

- Sections 221 and 224
  - No deductions from wages unless:
    - Required or permitted by law
    - Employee voluntarily consents in writing
    - Contributions to benefits plans authorized by a collective bargaining agreement
    - Note: Government Code §1171 authorizes public agencies to withhold portions of wages as required by law. (See Government Code §§ 1157, 1157.1-1157.11 for other available deductions.)

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**True, False or Maybe...**

City employees are eligible for a loan of up to \$2,500 from the City's Employee Personal Computer Loan Program. Under this program, Joseph received a loan for the maximum amount to be repaid to the City in \$50 installments by payroll deduction. After repaying \$1,000 of the loan, Joseph abruptly quit. The City may deduct the balance owed to them on the loan from Joseph's final paycheck.

**FALSE**

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**True, False or Maybe...**

Public agencies can lawfully require their employees to work during meal and rest periods, but in doing so, the agencies must pay the employees an additional hour of compensation for every day a meal or rest period is not provided.

**MAYBE**

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**Labor Code Sections that DO NOT Apply to Public Agencies**

- Sections 226.7, 512 and 512.5
  - Public agencies have historically been exempt from state meal and rest break requirements
  - Industrial Wage Commission amended Industrial Wage Order No. 9 to apply these requirements to “commercial drivers employed by governmental entities”
  - Not applicable to commercial drivers employed by a charter city or county
  - New collective bargaining exemption

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**Labor Code Sections that DO NOT Apply to Public Agencies**

- Sections 500, 510 through 511 and 513 through 517 relate to the following:
  - Day’s work and commuting time
  - Alternative workweek schedules
  - Makeup work time
  - Computer software field employees
  - Licensed physicians and surgeons
  - Teachers at private schools

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**Labor Code Sections that DO NOT Apply to Public Agencies (continued)**

- Sections 550 through 554
  - No employer shall cause it’s employees to work more than six days in seven
  - Exception in case of emergency or protection of life or property from loss or destruction
- Section 555
  - Provides that Sections 550 through 554 are applicable to cities which are cities and counties (i.e., San Francisco)

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**Public Records**

“Public records are open to inspection at all times during the office hours of the state or local agency and every person has a right to inspect any public record... each state or local agency, upon a request for a copy of records that reasonably describes an identifiable record or records, shall make the records promptly available...”

- Government Code §6253

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**Case Study**

Newspaper requested under the Public Records Act that the City provide it with the names, job titles, and gross salaries of all city employees who earned \$100,000 or more in a fiscal year. The City agreed to disclose salary and overtime information for each job classification, but refused to provide salary information linked to individual employees, claiming that individually identified salary information is exempt from disclosure. The Newspaper insists that the City is required to disclose the requested salary records.

**Who is right?**

*International Federation of Professional & Technical Engineers v. Superior Court (2007) 42 Cal.4th 319.*

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**Case Study**

Mitch is an administrative assistant at the City. The City issues each employee a City email account to be used for City business only. Mitch recently started a romantic relationship with his co-worker, Margie. Mitch and Margie routinely email each other often detailing their affection and sexual feelings towards each other.

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**Case Study**

Mitch's wife suspects Mitch is cheating on her and eventually files for divorce. His wife then makes a Public Records Act Request for "all emails sent or received by Mitch Cooper using his City email account."

**Would Mitch's emails with Margie be exempt from disclosure?**

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**Public Records**

**Statutory Exemptions:**

- Personnel and medical records "the invasion of which would constitute an unwarranted invasion of privacy"
- Records pertaining to pending litigation
- Certain law enforcement records
- Tests, scoring keys, and other examination data
- Financial information of private citizens
- Records otherwise exempt under State or Federal law

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**Public Records**

**Records Commonly *Non-Exempt*:**

- Salary information for individual employees
- Names of pensioners and amount of public pension
- Cost of purchases and expenditures
- Many types of emails, text messages, and even internet searches

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# Keys to Success: Understanding the Differences Between Private and Public Employment

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### Keys to Success: Public Records

- Remember That Everything is Potentially “Discoverable”
  - Assume everything you write will be used as an exhibit
  - Almost nothing is confidential

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### Liability: California Tort Claims Act

- “Respondeat Superior”- Public entities are generally liable for acts or omissions of employees acting within “course and scope of employment.”
- Public employees are entitled to defense/indemnification if act/omission occurred within course and scope of employment.

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### Liability: Discrimination

- Employers are liable for the conduct of supervisors who discriminate, harass or retaliate
- Supervisors are not personally liable for discrimination
- Any employee who harasses can be individually liable
- Employers are liable for harassment/retaliation by employees if employer knew or should have known about it and failed to take appropriate corrective action

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# Keys to Success: Understanding the Differences Between Private and Public Employment

League of California Cities 2014 Annual Conference | September 4, 2014

Presented by: *Laura Kalty and Elisa Cox*

**Thank you!**

**Elisa Cox**  
City of Sierra Madre  
Director of Human Resources | [ecox@cityofsierramadre.com](mailto:ecox@cityofsierramadre.com)

**Laura Kalty**  
Liebert Cassidy Whitmore  
Partner | Los Angeles Office  
310.981.2000 | [lkalty@lcwlegal.com](mailto:lkalty@lcwlegal.com)  
<http://www.lcwlegal.com/Laura-Kalty>

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## **CITY OF HUGHSON AGENDA ITEM NO. 3.7**

### **SECTION 3: CONSENT CALENDAR**

**Meeting Date:** October 27, 2014  
**Subject:** Consider the Appointment of Tamara Thomas to the Parks and Recreation Commission  
**Presented By:** Dominique Spinale, Assistant to the City Manager

**Approval:** \_\_\_\_\_

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#### **Staff Recommendation:**

Consider the Appointment of Tamara Thomas to the Parks and Recreation Commission.

#### **Background and Overview:**

At the September 8, 2014 meeting, the City Council approved the appointment of Matt House to the Parks and Recreation Commission. Commissioner House was seated in former Commissioner Hernandez-Codallos seat, with his term expiring on December 31, 2015.

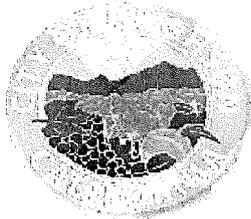
Commissioner Brownell recently contacted Council and staff and advised of his resignation on October 14, 2014. With this resignation, the City has two vacant seats available. City staff has been working diligently to find residents interested in serving on the Parks and Recreation Commission, and have received an application from Tamara Thomas. If appointed, Ms. Thomas would fill the vacancy created by Commissioner Brownell's resignation, term expiring on December 31, 2015.

Pursuant to Hughson Municipal Code 2.14.040, the Mayor and Council have the right to nominate qualified citizens to the Commission. To assist the Mayor and Council, City staff has been advertising the two seats as "open until filled".

City staff will continue to advertise the one vacant seat on the Commission as "open until filled".

#### **Fiscal Impact:**

Per the Hughson Municipal Code, Parks and Recreation Commissioners are not compensated.



**RECEIVED**

**OCT 23 2014**

**City Clerk's Office  
City of Hughson**

**APPLICATION FOR  
PARKS AND RECREATION COMMISSION**

► **DELIVER TO:** CITY CLERK'S OFFICE, CITY HALL, 7018 PINE STREET, HUGHSON  
► **OR MAIL:** CITY CLERK, P.O. BOX 9, HUGHSON, CA. 95326

**SEATS WILL REMAIN OPEN UNTIL FILLED**

NAME: Tamara Thomas

HOME ADDRESS: \_\_\_\_\_ ZIP CODE: 95326

E-MAIL: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_

LIVE WITHIN CITY LIMITS? YES  NO \_\_\_\_\_ REGISTERED VOTER? YES  NO \_\_\_\_\_

ARE YOU RELATED TO CURRENT CITY EMPLOYEE?  NO \_\_\_\_\_ IF YES, PERSON'S NAME AND RELATIONSHIP: \_\_\_\_\_

LENGTH OF TIME AT: RESIDENCE 13yrs IN HUGHSON 13 yrs IN COUNTY 50 yrs

CURRENT OCCUPATION: Director/Dept Head, Stanislaus County Dept of Child Support Services

BUSINESS ADDRESS \_\_\_\_\_ Modesto \_\_\_\_\_ PHONE: \_\_\_\_\_

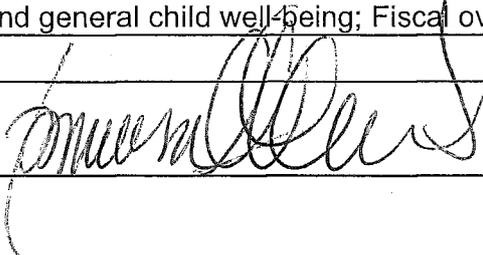
EDUCATION (Highest level of education, degree(s), etc.): Bachelors of Science, Organizational Behavior, University of San Francisco

EMPLOYMENT HIGHLIGHTS: Most Improved Large County Child Support Program 2011-2012; Child Support Directors Association Outstanding Individual Achievement Award in Management 2009 Stanislaus County Effective Partnership Award for SFY 2011-2012; Recipient of the National Child

PRIOR PUBLIC SERVICE (If any): (cont) Support Enforcement Association and Western Interstate Child Support Enforcement Council Excellence Awards for Program Awareness 2011-2012

PRESENT AND PAST COMMUNITY ACTIVITIES (DO NOT LIST PARTISAN POLITICAL ACTIVITIES): HUHS Women's Basketball Coach 2005-2012; Shadowchase Running Club; Waterford Parks and Rec Youth Basketball Coordinator 1997-1999; Youth Soccer Coach

WHAT ARE THE MOST IMPORTANT ISSUES FACING HUGHSON (Relative to the position being sought): Land use related to sports complex development; Opportunities for all youth in Physical Education and general child well-being; Fiscal oversight of associated funds

SIGNATURE:  DATE: 10-23-2014

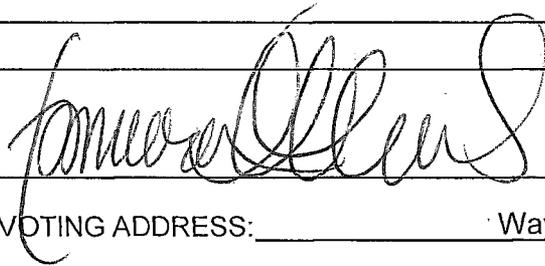
**CANDIDATE'S STATEMENT**

As a candidate for the **PARKS AND RECREATION COMMISSION** of the City of Hughson, I submit the following statement:

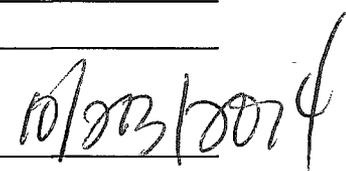
My name is TAMARA L. THOMAS

My education and qualifications are: I have the equivalent of a minor in secondary physical education and am knowledgeable in coaching and the management of general sports programs. I have run the Youth Basketball Program in Waterford under their Parks and Rec program. This included community involvement, parent interaction and the financial and general organization of the league. I was the HUHS women's basketball coach at the JV and Freshman level for more than seven years. I have a Bachelors of Science degree in Organizational Behavior. I currently am the the dept head for the Dept of Child Support Services of 162 staff and a 16 million dollar budget. This requires understanding and monitoring of complex budgets, the ability to manage contracts, the ability to work well with all staffing levels of an organization, to operate under a board of supervisors, as well as other governing boards. I currently sit on the Western Interstate Child Support Enforcement Council and am their executive Vice President. I have been a past board member of the California Child Support Directors Association (2009-2011). I feel all of these experiences makes me a qualified choice to serve as a Parks and Recreation Commissioner for the City of Hughson.

SIGNATURE:



DATE:



REGISTERED VOTING ADDRESS:

Way, Hughson, CA 95326



## CITY OF HUGHSON AGENDA ITEM NO. 3.8

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** October 27, 2014  
**Subject:** Approval of Fiscal Year 2014/2015 Local Transportation Fund Claim  
**Presented By:** Lisa Whiteside, Finance Manager  
**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Adopt Resolution No. 2014-33 Local Transportation Funds (LTF) Claim, authorizing the City Manager to execute and submit the City of Hughson Local Transportation Fund (LTF) Claim for Fiscal Year 2014/2015, in the amount of \$123,810 to the Stanislaus Council of Governments (StanCOG) as attached and on behalf of the City of Hughson.

#### **Background and Overview:**

In order to receive the annual allocation of LTF funds, the City Council of the City of Hughson is required to pass a resolution approving the LTF Claim, and authorize the City Manager to submit the application on behalf of the City of Hughson to StanCOG. The annual allocation of the LTF funds must be approved through StanCOG (Policy Board), which then can be used to improve local streets, sidewalk, and bicycle facilities.

#### **Fiscal Impact:**

This process is required for the City of Hughson to receive the Fiscal Year 2014/2015 allocation of \$123,810 of Local Transportation Funding.

**CITY OF HUGHSON**  
**CITY COUNCIL**  
**RESOLUTION NO. 2014-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON  
APPROVING AND AUTHORIZING THE SUBMISSION OF THE 2014/2015  
LOCAL TRANSPORTATION FUND (LTF) CLAIM AND AUTHORIZING THE  
CITY MANAGER TO EXECUTE AND SUBMIT THE CLAIM ON BEHALF OF THE  
CITY OF HUGHSON**

**WHEREAS**, the Hughson City Council is considering and has established priorities for Capital Improvement Projects and the City Manager has prepared for filing with the Stanislaus Council of Governments (StanCOG) the City's annual Transportation Development Act claim in accordance with applicable rules and regulations, in the amount of \$123,810 for the Fiscal Year 2014/2015 to be drawn from the Local Transportation Fund; and

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Hughson hereby approves the 2014/2015 LTF Claim, and authorizes the City Manager to execute and submit the Claim as attached on behalf of the City of Hughson to the Stanislaus Council of Governments.

**PASSED AND ADOPTED** by the City Council of the City of Hughson at its regular meeting held on this 27<sup>th</sup> day of October, 2014 by the following roll call votes:

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

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**MATT BEEKMAN, Mayor**

**ATTEST:**

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**DOMINIQUE SPINALE, City Clerk**

**TRANSPORTATION DEVELOPMENT ACT  
LOCAL TRANSPORTATION FUND  
CLAIM FOR FISCAL YEAR 2014/15 OTHER PURPOSES**

TO: Stanislaus Council of Governments  
1111 I Street, Suite 308  
Modesto, CA 95354

FROM: Applicant: City of Hughson  
Address: P.O. Box 9  
City Hughson, CA Zip: 95326  
Contact Person: Raul Mendez Phone: 209-883-4054  
E-mail Address: [rmendez@hughson.org](mailto:rmendez@hughson.org) Fax: 209-883-2638

The City of Hughson hereby requests, in accordance with the Transportation Development Act and applicable rules and regulations, that its claim for other purposes be approved in the amount of \_\_\_\_\_ for fiscal year 2014/15, to be drawn from the Local Transportation Fund.

When approved, please transmit this claim to the County Auditor for payment. Approval of the claim and payment by the County Auditor to this applicant is subject to such monies being on hand and available for distribution, and to the provisions that such monies will be used only in accordance with the terms contained in the approving resolution to the Stanislaus Council of Governments.

The claimant certifies that this Local Transportation Fund claim and the financial information contained therein is reasonable and accurate to the best of my knowledge and conforms with the requirements of the Transportation Development Act and applicable rules and regulations.

Submitted by: \_\_\_\_\_  
Raul Mendez  
Title: City Manager  
Date: \_\_\_\_\_

**StanCOG Board of Directors:**

Date of approval: \_\_\_\_\_  
Resolution #: \_\_\_\_\_

\_\_\_\_\_  
StanCOG Approving Authority

**LOCAL TRANSPORTATION FUND  
CLAIM FOR OTHER PURPOSES  
FY 2014/15**

**TABLE 1**

1.	Planning, Local --PUC 99262/99402	\$	-
2.	Transit _____ *	\$	-
3.	Streets and Roads --PUC 99400 (a)	\$	118,602
4.	Nonmotorized - 2% LTF funds --PUC 99233.2/99234	\$	5,208
5.	Nonmotorized - Other LTF funds --PUC 99233.2/99234	\$	-
<b>6.</b>	<b>TOTAL CLAIM</b>	<b>\$</b>	<b>123,810</b>

<i><b>This table is to be filled out by StanCOG staff</b></i>			
<b>City of Hughson</b>			
<b>Total LTF available to be claimed for other purposes:</b>			
FY 2014/15 Nonmotorized apportionment	\$		4,985
FY 2013/14 Nonmotorized supplemental	\$		223
Total 2% Nonmotorized	\$		5,208
FY 2014/15 Other Purposes apportionment	\$		118,602
FY 2013/14 Other Purposes supplemental	\$		-
Total Other Purposes	\$		118,602
<b>Total available to be claimed at this time</b>	<b>\$</b>		<b>123,810</b>

\* If you have proposed transit expenditures, please fill in the appropriate PUC Code.

## NONMOTORIZED PROJECTS FY 2014/15

(Use additional forms if necessary)

### TABLE 2 BREAKDOWN BY PROJECT

BRIEFLY DESCRIBE PROJECTS AND EXPENDITURES INCLUDED IN THE 3 YEAR PERIOD BELOW										
ID	PROJECT TITLE	MODE			FOR BIKE PROJECTS ONLY		2012/13 ACTUAL EXPENDITURES	2013/14 ESTIMATED EXPENDITURES	2014/15 CLAIM	ACTUAL / ESTIMATED EXPENDITURES FOR 3 YEAR PERIOD
		B I K E	P E D	P L A N	PROJECT IN StanCOG's BIKE PLAN *	PROJECT IN CITY/CO BIKE PLAN *				
	Update of Nonmotorize Plan			x			\$4,808.00	\$5,035.00	\$5,208.00	\$15,051.00
							\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\$0.00	\$0.00	\$0.00
							\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL FUNDS APPROPRIATED TO PROJECTS</b>							<b>\$4,808.00</b>	<b>\$5,035.00</b>	<b>\$5,208.00</b>	<b>\$15,051.00</b>

### TABLE 3 BREAKDOWN BY CATEGORY

RECORD LTF FUNDS ONLY							
	% of Total Expenditures	2010/11 Actual	2011/12 Actual	2012/13 Actual	2013/14 Estimate	2014/15 Claim	5 Year Total
Bicycle facilities	14.31%	\$3,600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,600.00
Pedestrian facilities	10.45%	\$2,628.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,628.00
Preparation of Bicycle Plan	75.24%	\$0.00	\$3,878.00	\$4,808.00	\$5,035.00	\$5,208.00	\$18,929.00
<b>TOTAL AMOUNT OF BIKE/PED EXPENDITURES</b>		<b>\$6,228.00</b>	<b>\$3,878.00</b>	<b>\$4,808.00</b>	<b>\$5,035.00</b>	<b>\$5,208.00</b>	<b>\$25,157.00</b>

DOES THIS CLAIM MEET THE MINIMUM 50% BICYCLE EXPENDITURE STANCOG PERFORMANCE STANDARD? YES

StanCOG 50% bicycle expenditure requirement: The 5 year bicycle expenditures must be 50% or greater.

### TABLE 4 FUNDS HELD IN RESERVE AT JURISDICTION

RECORD LTF FUNDS ONLY				
	2010/11	2011/12	2012/13	2013/14
Fiscal year beginning fund balance	\$0.00	\$0.00	\$0.00	\$5,035.00
Plus fiscal year 2% nonmotorized claim	\$6,228.00	\$3,878.00	\$4,808.00	\$0.00
Plus interest	\$0.00	\$0.00	\$0.00	\$0.00
Minus nonmotorized expenditures	(\$6,228.00)	(\$3,878.00)	(\$4,808.00)	(\$5,035.00)
Fiscal year ending fund balance	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

1. Prior year(s) LTF carryover held by jurisdiction applied towards FY 2014/15 Nonmotorized claim (TABLE 4)	\$0
2. Interest earned on previously paid LTF funds held by jurisdiction (required by State law) (TABLE 4)	\$0
3. FY 2014/15 Nonmotorized 2% funds applied towards FY 2014/15 projects (must match Page 2, Line 4)	\$5,208
4. FY 2014/15 Other LTF funds applied towards Nonmotorized claim (must match Page 2, Line 5)	\$0
5. FY 2014/15 Nonmotorized 2% funds to be held at StanCOG	\$0
6. Total of lines #1 through #5 above	<b>\$5,208</b>

**\* SEE PAGE 3b FOR NONMOTORIZED REGULATIONS/POLICIES AND NOTES**

**NONMOTORIZED PROJECTS**  
**FY 2014/15**  
**(Continued)**

**NONMOTORIZED REGULATION/POLICY REMINDERS:**

- A. State law allows a jurisdiction to use LTF to update a Bicycle Action Plan once every five years (PUC 99234(h)).
- B. State law allows a jurisdiction to use up to 20% of the amount available each year to restripe Class II bicycle lanes (PUC 99234(h)).
- C. State law allows a jurisdiction to use up to 5% of the amount available each year to supplement moneys from other sources to fund bicycle safety education programs, but the funds shall not be used to fully fund the salary of any one person (PUC 99233.3).
- D. All funds must be spent within five years of receipt. Over the five-year period shown in Table 3, at least 50% of funds must be spent for bicycle purposes. StanCOG will not allocate funds to any jurisdiction which is in violation of these policies.

**NOTES:**

- \* By StanCOG policy, all bike projects must appear in either StanCOG's Bicycle Action Plan, or in a City or County bicycle plan, to be eligible for LTF funding.
- \*\* Beginning with FY 2003/04, nonmotorized funds will only be allocated by StanCOG for specific projects. If no project is identified, funds will be held in reserve at StanCOG for eventual use by that jurisdiction.

**ANNUAL PROJECT AND FINANCIAL PLAN  
PROJECTS FOR OTHER PURPOSES  
FY 2014/15**

(Use additional forms as necessary)

**TABLE 5**

<b>Briefly describe all proposed projects and indicate proposed project expenditures</b>					
<b>Project Title &amp; Brief Description</b>	<b>Will this Project add new travel lanes? Yes or No</b>	<b>Will this Project use Federal Funds? Yes or No</b>	<b>Is this Project consistent with the RTP Yes or No</b>	<b>Total Project Cost</b>	<b>LTF Funds Utilized</b>
Tully Road-Santa Fe to Whitmore	No	Yes	No	\$ 60,104	\$ 1,500
5th Steet Project	No	Yes	No	\$ 286,326	\$ 117,102
<b>TOTAL</b>				<b>346,430.00</b>	<b>118,602.00</b>

- |   |   |
|---|---|
| 1. LTF carryover applied towards FY 2014/15 Other Purposes            | <input type="text"/>                    |
| 2. Interest earned on LTF carryover (required by State law)           | <input type="text" value="321.00"/>     |
| 3. FY 2014/15 apportionment applied towards FY 2014/15 Other Purposes | <input type="text" value="118,602.00"/> |
| 4. Total of Lines 1, 2 and 3 above                                    | <input type="text" value="118,923.00"/> |



## **CITY COUNCIL AGENDA ITEM NO. 6.1**

### **SECTION 6: NEW BUSINESS**

**Meeting Date:** October 27, 2014  
**Subject:** Discussion of Agricultural Lease Between the City of Hughson and Michael Noeller for Approximately Twelve (12) Acres of City-Owned Property Adjacent to the Waste Water Treatment Facility Along Leedom Road  
**Enclosures:** Agricultural Lease with Michael Noeller (January 2010)  
**Presented By:** Raul L. Mendez, City Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Discuss and consider direction to City staff regarding the current agricultural lease between the City of Hughson and Michael Noeller for approximately twelve (12) acres of City-owned property adjacent to the Waste Water Treatment Facility along Leedom Road.

#### **Background and Overview:**

On September 27, 2010, the Hughson City Council adopted Resolution No. 2010-61, approving the agricultural lease with Michael Noeller on City property adjacent to the Waste Water Treatment Facility on Leedom Road. At that time, the City Council determined the subject property was not needed for use and instead directed staff to explore revenue generating options.

In 2008, the City of Hughson purchased a total of approximately 32 acres of land from Francis Noeller to provide for the land needed to expand the Waste Water Treatment Facility on Leedom Road. The total acreage purchased would meet the City's needs of the expansion project and also allot additional acreage for the future.

At the time of purchase, the twelve (12) acres abutting the Waste Water Treatment Facility on the west were planted with almonds and became the subject of the farm lease. Michael Noeller, the nephew of Francis Noeller, expressed interest in farming the property and the City entered into negotiations for the terms of the agricultural lease.

In conversation with Mr. Noeller at that time, it was indicated that there was a block of trees (approximately eight acres) planted in the year 2000 that consisted of two varieties of almonds: Padre and Butte. Another block of trees (approximately four acres) were planted in 1975 and these trees consisted of the two varieties as well: Non Pareil and Price. Normally, trees this old are pulled and new trees planted. However, Mr. Noeller indicated that the cost of pulling old trees was in the range of \$8,000 to \$9,000 and at that time it took nearly ten years to pay back. A five year lease was being contemplated at that time so the decision was made to maintain the current practice of only replacing trees as they die or fall over. About a quarter of the trees in this block had already been replaced in this way.

City staff researched lessee/lessor percentages for these types of arrangements and found that the industry standard based on discussions with Roger Duncan, an agricultural advisor for the U.C. Extension Office at the Stanislaus County Department of Agriculture, was an 80%/20% split. It should be noted that peach agricultural leases at that time were usually an 85%/15% split because the costs associated to farm a peach orchard exceeds those of a nut orchard.

Based on the information gathered at that time, the City of Hughson entered into a five year agricultural lease agreement with Michael Noeller for the term of January 1, 2010 to December 31, 2014. The lease agreement specified that the land would be used exclusively as an orchard for producing almonds and crops would be harvested and sold for the best available price. The Lessee would pay all expenses incurred in connection with maintenance and operation of the land, any improvements subject to the lease terms and all taxes, assessments, license fees and other charges levied and assessed against the property. The Lessee further agreed to care for the property and trees using good farming practices.

### **Evaluation of the Current Agricultural Lease:**

City staff has researched the current agricultural lease with Mr. Noeller to begin to evaluate its effectiveness and understand some of the challenges experienced since its execution. In order to do so properly, it is important to be familiar with some of the basic fundamentals to farming an almond orchard.

### ***Almond Profile***

The following is an excerpt from the Agricultural Marketing Resource Center website for reference purposes only:

*The almond tree has an average life span of 20 to 25 years and does not bear fruit during the first 3 to 4 years after planting. Additionally, almond trees are alternate bearing so that a large crop one year is often followed by a lighter crop the following year.*

*Typically producers plant multiple varieties of almond trees to capitalize on the beneficial effects from cross pollination and rely on bees to fertilize almond blossoms. Nonpareil is the single largest variety planted (39%), followed by the Monterey variety (12%) (Almond Board of California).*

*Almond production has continued to increase over time. Improvements in efficiency and technology have had a dramatic effect on increasing almonds yields. Overall yields of California orchards have increased. Advances in tree varieties, planting patterns, mechanization and orchard agronomy have been responsible for some of the increased yields per acre.*

*Encased in a tough, leathery hull and an inner, protective hard shell, almonds are mechanically shaken from the tree during the fall harvest and sent to handlers to be processed and marketed as a final product.*

**Leedom Orchard Grower Reports**

The following is based on information provided by the California Grown Nut Company who is used by Noeller Farms for almond processing. Almond weight statistics (in lbs.) is for meats after deducting inedibles, foreign materials, and excess moisture.

<b>Leedom Orchard</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>
Butte/Padre	6,133	7,817	11,425	9,150	8,944
Nonpariel	1,391	1,929	2,059	1,362	2,734
Price	1,813	1,471	1,326	911	0
Total	9,337	11,217	14,810	11,423	11,678

*\*Current year not complete.*

**Meeting with Michael Noeller**

On October 13, 2014, City staff met with Mr. Noeller to discuss the current arrangement and the expiring agreement. The meeting was held on-site at the subject property (See Figure 1 below). Mr. Noeller appreciated City staff’s efforts to reach out to him to gather information and gain a historic perspective. Mr. Noeller shared that the condition and yield of the almond orchard had improved since inception of the agreement.

He shared that the newer trees (planted in 2000) were producing as expected. He commented that older trees (planted in 1975) were more of a challenge due to their age and pre-existing condition. Mr. Noeller indicated that as had been agreed upon with City staff at the inception of the agreement, trees were replaced whenever possible and some of the replacement trees were just now starting to produce. Mr. Noeller indicated that the older section of the orchard has had more of an issue with ground squirrels since it abuts to Leedom Road and the older section of the Waste Water Treatment Facility. For increased effectiveness, he suggested working with City staff to coordinate eradication efforts during the next opportunity.

The redevelopment of the older section trees was also discussed. Mr. Noeller shared that this may be something that the City would need to once again consider. He estimated that the cost of replacing all the trees in the older section was approximately \$12,000-\$15,000. He also indicated that if the City wanted to proceed with the redevelopment for the upcoming season that the tree order would

need to be placed now since such orders should be placed well in advance to ensure delivery. Mr. Noeller also indicated that the drought has impacted the farming operation. He mentioned that the Turlock Irrigation District's water allocations to farmers have been less than in prior years. Although adequate water has been available for application in the Leedom Orchard, he was concerned with the continued drought conditions and discussions at the State level that may result in continued reduced future TID water allocation. He did mention that if needed, he could possibly access several local agricultural wells for irrigation purposes.

Mr. Noeller also mentioned some State funding that may be available for farmers that move towards the installation of drip irrigation systems. He indicated that he had provided some information regarding all the properties he farms to Martella Farms (located adjacent to Noeller Farms).

**Figure 1 – Not to Scale**



**Fiscal Impact:**

The lease provides that the City receives 20% of the almond crop proceeds. Other costs of the farming operation are to be paid by the tenant. The 20% of the crop as compensation is the standard farm lease percentage in this area. To date, the total revenue generated from farming the twelve (12) acres of property is \$100,084.05. Of this amount, and per the executed agricultural lease agreement, \$20,016.81 has been received by the City of Hughson and \$80,067.24 by Noeller Farms.

## LEASE

CITY OF HUGHSON, a Municipal Corporation, (hereinafter called "Landlord") and MICHAEL NOELLER (hereinafter called "Tenant") agree as follows:

1. Landlord leases to Tenant that certain real property which is an approximate twelve (12) acres, more or less, block of land currently planted to an orchard on Leedom Road in Hughson, California. (hereinafter "Property"). The Property is located in Stanislaus County and is identified as assessor's parcel numbered APN 018-064-026. The Property is further shown in exhibit "A" to this Lease.
2. The term of this Lease is for five years commencing on January 1, 2010 and terminating on December 31, 2014.
3. The land shall be used exclusively as an orchard for the purpose of producing almonds.
4. Crops shall be harvested and sold for the best available price. The Tenant shall use reasonable discretion in selecting the buyer or buyers for the crops. The Tenant will attempt to have Landlord's payment for crops made directly to Landlord, in accordance with the percentages specified in Paragraph 9 of this Lease. In the event Landlord's percentage share from the sale of the crops is paid to Tenant, Tenant agrees to remit Landlord's share in full within ten (10) days of payment.
5. The Tenant shall pay all expenses incurred in connection with the maintenance and operation of the land and any improvements covered by this Lease, including but not limited to all charges for labor and material, together with any and all other charges connected with the care, cultivation, harvesting and sale of the crops

produced upon said premises, except as otherwise noted herein. Tenant shall indemnify Landlord for any charges or expenses billed or otherwise directed to Landlord as a result of any of the above-described activities of Tenant. Notwithstanding the foregoing, Landlord shall pay for any charges, expenses or damages incurred or caused by Landlord or its employees, representatives or contractors.

6. Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges ("taxes") that are levied and assessed against any property belonging to Tenant installed or located in or on the Property, or on any activity of Tenant, and that become payable during the term. Landlord shall pay before delinquency all taxes that are levied and assessed against the Property and that become payable during the term. Upon request, each party shall furnish the other party with satisfactory evidence of these payments.

7. The Tenant agrees to care for the Property and the trees thereon in a good farmer-like manner, and to cultivate, fertilize, fumigate, irrigate, prune and spray said trees in accordance with established horticultural practices for almonds in this area. Tenant shall be solely responsible for all matters related to any crop being grown on the Property.

8. Neither Tenant nor Landlord shall be liable for failure of any crop due to an Act of God or other causes beyond the control of Landlord or Tenant.

9. Landlord and Tenant shall receive, respectively, the following percentages of prices paid for the crops produced:

Landlord 20%; Tenant 80%.

10. A Memorandum of Lease may be executed and recorded in Stanislaus

County.

11. This Lease shall not be sold, assigned, or sublet by the Tenant, without Landlord's written consent, which will not unreasonably be withheld, conditioned or delayed.

12. In the event Tenant is declared bankrupt or becomes subject to a receiver, the Landlord may, at its option, immediately terminate and cancel this lease.

13. Tenant shall at all times comply with all federal, state and local laws, ordinances, rules and regulations applicable and relevant to the operation of Tenant's business on the Property.

14. Tenant agrees that it will indemnify and hold Landlord harmless and free from any and all claims for damages which may be suffered by any person or persons occupying, visiting or coming upon the Property, except for damages or injuries arising from the negligent act of Landlord, or its employees, agents, representatives or contractors, and will have Landlord named as an additional named insured on a general liability insurance policy in the amount of at least One Million Dollars (\$1,000,000.00). Landlord shall be provided a certificate of such insurance. Failure to provide such certificate within ten (10) days of the commencement of any term shall be grounds for immediate termination of the Lease.

15. All notices between the parties shall be served by depositing the same in the United State Post Office, certified mail, addressed to Tenant at 6400 Leedom Road, Hughson, CA 95326, or to Landlord at PO Box 9 Hughson, CA 95326, or at such other address(es) as designated by the parties in writing.

16. In the event of default, written notice shall be given to the defaulting party

setting forth the nature of the default and providing thirty (30) days after written notice to cure said default. Upon default and failure to cure, the non-defaulting party may, at its option, terminate the Lease and obtain damages for the default or continue the Lease and obtain damages for the default. In the event any suit be brought by any party against the other to recover for any breach of the agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs, in addition to any other relief that the court may allow.

17. Tenant agrees not to commit waste on the Property.

18. Landlord shall have the right to inspect all records relevant to the crops grown on the Property and to the sale of the crops, at Tenant's place of business, upon five (5) days written notice.

19. Upon expiration or termination of this Lease, Tenant agrees to execute such document or documents as may be necessary to cancel any Memorandum of Lease on the public record.

TENANT:

Michael Noeller  
MICHAEL NOELLER 8/16/10

LANDLORD:

City of Hughson

By

Ramon Bawan  
RAMON BAWANAN  
MAYOR

State of California )  
 )  
 )  
County of STANISLAUS )

On Aug. 16, 2010, before me, Lori R. Paul,  
a Notary Public, personally appeared MICHAEL NOELLER, who proved to me on the  
basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the  
within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the  
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed  
the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California  
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Lori R. Paul



State of California  
County of Stanislaus  
City of Hughson

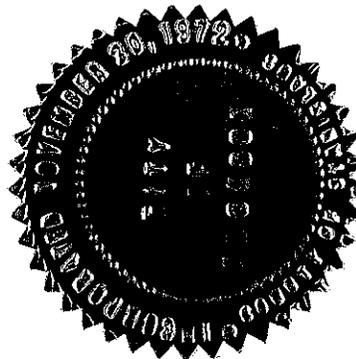
On October 27, 2010, before me, the undersigned, a City Clerk in the City of Hughson in and for said City, personally appeared Ramon Bawan, personally known to me (or proved to me on the basis of satisfactory evident) to be the person (s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State Of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

WITNESS my hand and official seal.



SIGNATURE:

\_\_\_\_\_

Michele P Winterbottom  
City Clerk of the City of Hughson

\*\*\*\*\*OPTIONAL\*\*\*\*\*

This certificate must be attached  
to the Document Described at Right:

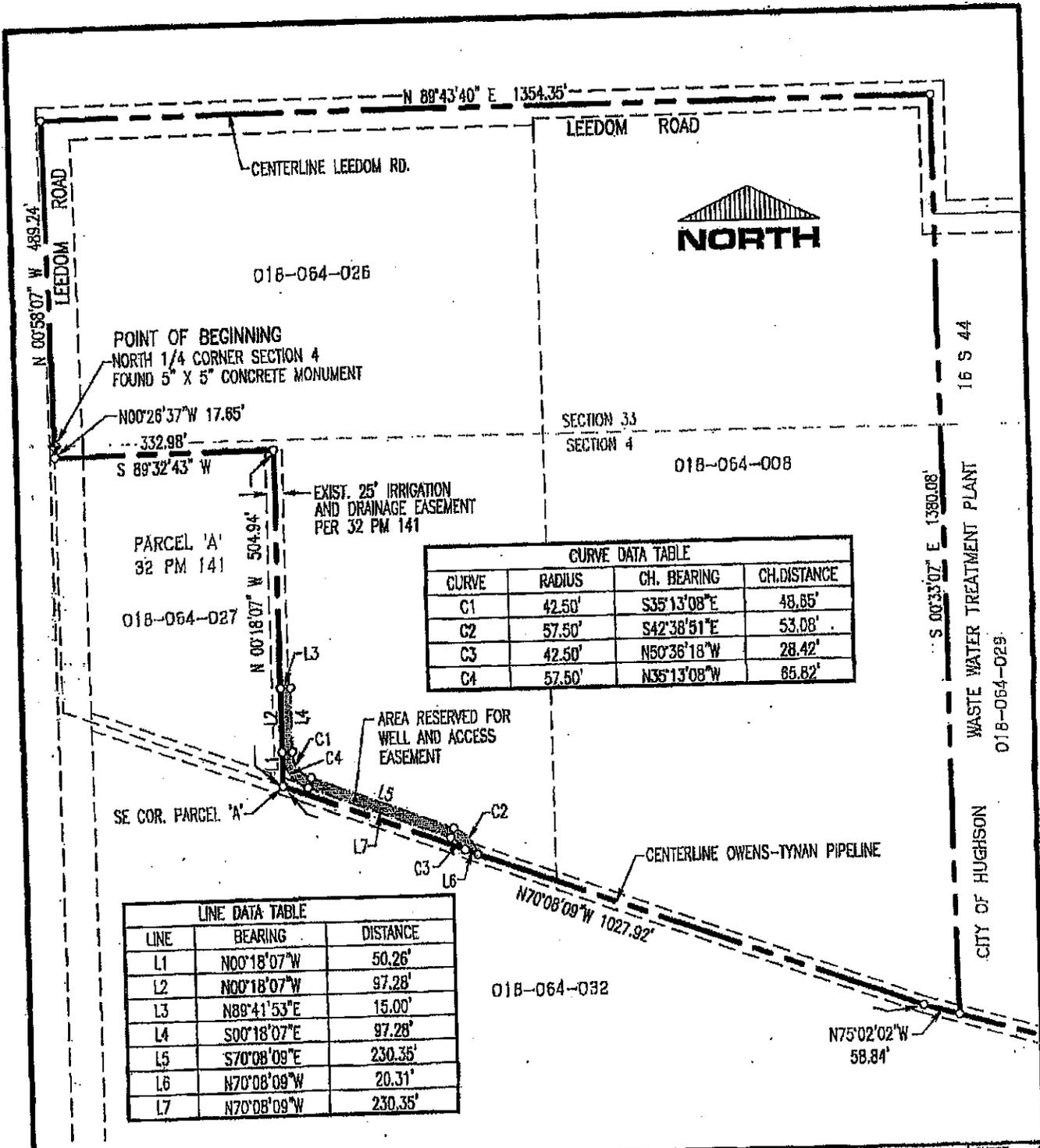
TITLE OR TYPE OF DOCUMENT(s):  
FARMING LEASE - AGREEMENT BETWEEN CITY OF  
Leedom Road Lease - LEASE - WASTE WATER  
TREATMENT PLANT 018-064-026 FOR ORCHARD  
FARMING - 5 YEAR LEASE AGREEMENT

No. of PAGES 4 DATE OF DOCUMENT(2):September 27,  
2010

September 27, 2010

SIGNER(S) OTHER THAN NAMED ABOVE: Michael  
Noeller - August 16, 2010

Though the date requested here is not  
required by law, it could prevent  
fraudulent reattachment of this form.

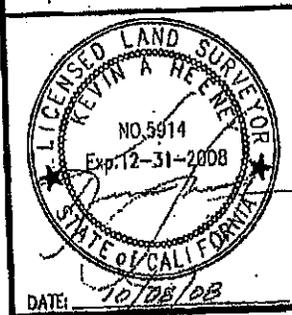


**CURVE DATA TABLE**

CURVE	RADIUS	CH. BEARING	CH. DISTANCE
C1	42.50'	S35°13'08"E	48.85'
C2	57.50'	S42°38'51"E	53.08'
C3	42.50'	N50°36'18"W	28.42'
C4	57.50'	N35°13'08"W	65.82'

**LINE DATA TABLE**

LINE	BEARING	DISTANCE
L1	N00°18'07"W	50.26'
L2	N00°18'07"W	97.28'
L3	N88°41'53"E	15.00'
L4	S00°18'07"E	97.28'
L5	S70°08'09"E	230.35'
L6	N70°08'09"W	20.31'
L7	N70°08'09"W	230.35'



OWNER: FRANCIS NOELLER		
A.P.N. 018-064-026		
AREAS	ACRES	SQ. FT.
PROPERTY ACQUISITION	31.904	
WELL & ACCESS EASEMENT		6,464

DATE: 10-08-08	DRAWN BY: KAH	SHEET 1 OF 1
SCALE: 1"=200'	JOB NO. 07-041-001	
<b>CITY OF HUGHSON</b>		
<b>WWTP UPGRADES &amp; EXPANSION PROJECT</b>		
<b>PROPERTY ACQUISITION</b>		
A PORTION OF THE SE 1/4, SEC. 33, T.3 S., R.10 E. AND THE NE 1/4, SEC. 4, T.4 S., R.10 E., M.D.M. COUNTY OF STANISLAUS STATE OF CALIFORNIA		

3233 Monitor Circle, Suite 1  
 Rancho Cordova, CA 95742  
 (916) 638-0919  
 (916) 638-2479 Fax

M:\07-041-001\Noeller Purchase All.dwg, Layout1, 10/8/2008 2:08:21 PM, kteeney

# Exhibit "A"

CITY OF HUGHSON  
CITY COUNCIL

RESOLUTION NO. 2010-61

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON APPROVING A FARMING LEASE WITH MICHAEL NOELLER ON UNUSED CITY PROPERTY ABUTTING THE WASTEWATER TREATMENT PLANT ON LEEDOM ROAD AND AUTHORIZE THE MAYOR TO SIGN THE LEASE**

**WHEREAS**, the City of Hughson has purchased approximately thirty two (32) acres from the Noellers to provide for sufficient expansion capabilities at the City's wastewater treatment plant (WWTP), and

**WHEREAS**, approximately twelve acres are not presently needed for the expansion project underway at the WWTP but will be needed for expansion of the plant in the future, and

**WHEREAS**, the City wishes to produce some revenue from this unused property and has entered into negotiations with the Noellers to farm the property in almonds, and

**WHEREAS**, the City has agreed that the cost of the farming operation will be paid by the Noellers and when the Noellers sell the almond crop the City will receive 20% of the revenue, and

**NOW THEREFORE, BE IT RESOLVED** that the City Council of the City of Hughson does hereby approve the lease with Michael Noeller and authorizes the Mayor to sign the lease.

It is hereby certified that the foregoing Resolution No. 2010-61 was duly introduced and adopted by the City Council of the City of Hughson at its regular meeting held on this twenty seventh day of September, 2010 by the following roll call votes: (3-2)

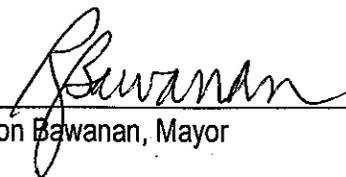
Ayes in favor: Councilmembers Silva, Carr and Mayor Bawanana

Noes: Council Members Young and Beekman

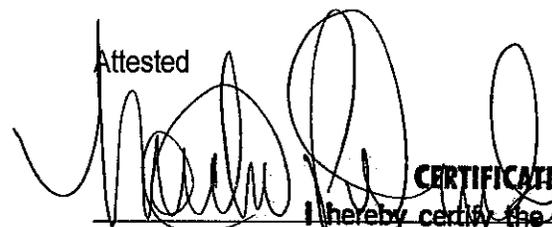
Absent: None

Abstain: None

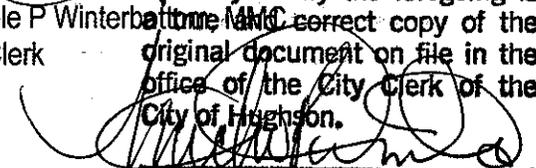
Approved

  
\_\_\_\_\_  
Ramon Bawanana, Mayor

Attested

  
\_\_\_\_\_  
Michele P Winterbottom, City Clerk

**CERTIFICATION**  
I hereby certify the foregoing is  
a true and correct copy of the  
original document on file in the  
office of the City Clerk of the  
City of Hughson.

  
\_\_\_\_\_  
Michele P Winterbottom, City Clerk

Dated: October 27, 2010



CITY OF HUGHSON  
**PLANNING COMMISSION MEETING**  
 City Hall Council Chambers  
 7018 Pine Street, Hughson, CA

**AGENDA**  
**TUESDAY, OCTOBER 21, 2014 – 6:00 P.M.**

**CALL TO ORDER:** Chair Julie Ann Strain

**ROLL CALL:** Chair Julie Ann Strain  
 Vice Chair Karen Minyard  
 Commissioner Sanjay Patel  
 Commissioner Mark Fontana  
 Commissioner Ken Sartain

**FLAG SALUTE:** Chair Julie Ann Strain

**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the Audience may address the Planning Commission on any item of interest to the public pertaining to the City and may step to the podium, State their name and City of Residence for the record (requirement of Name and City of Residence is optional) and make their presentation. Please limit presentations to five minutes. Since the Planning Commission cannot take action on matters not on the Agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. PRESENTATIONS:** NONE.

**3. NEW BUSINESS:**

- 3.1: Approve the Minutes of the Regular Meeting of August 19, 2014.
- 3.2: Determine that Vacating Right-of-Way (ROW) on Fourth Street between Hughson Avenue and Charo Street Conforms to the Adopted Hughson General Plan and Recommend that the City Council Formally Vacate Said Right-of-Way.

- 3.3: Review and Consider Amending the Hughson Municipal Code (HMC), Section 17, Zoning Ordinance, to Remove a Prohibition Regarding Restaurant Related Drive-Throughs.
- 3.4: Review and Discuss the Potential Acquisition and Development of the Proposed Seventh Street Community Park.
- 3.5: Review and Discuss the Future Update to the City of Hughson's Housing Element.

**4. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.**

**5. INFORMATIONAL ITEMS: NONE.**

**6. CORRESPONDENCE: NONE.**

**7. COMMENTS:**

7.1: Staff Reports and Comments: (Information Only – No Action)

**Community Development Director:**

**City Clerk:**

**City Attorney:**

7.2: Commissioner Comments: (Information Only – No Action)

**ADJOURNMENT:**

**WAIVER WARNING**

If you challenge a decision/direction of the Planning Commission in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

**UPCOMING EVENTS:**

<b>October 25</b>	▪ Harvest of Promise, Family Resource Center, St. Anthony's Church, 7:00pm
<b>October 27</b>	▪ City Council Regular Meeting, City Council Chambers, 7:00pm
<b>October 31</b>	▪ Trunk, or Tent and Treat Event, LeBright Fields, 5:00-9:00pm 

**RULES FOR ADDRESSING PLANNING COMMISSION**

Members of the audience who wish to address the Planning Commission are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT  
NOTIFICATION FOR THE CITY OF HUGHSON**

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

**Disabled or Special needs Accommodation:** In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a Planning Commission meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

**AFFIDAVIT OF POSTING**

**DATE:** October 17, 2014      **TIME:** 5:00pm  
**NAME:** Dominique Spinale      **TITLE:** City Clerk

**Notice Regarding Non-English Speakers:**

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson Planning Commission shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

**General Information:** The Hughson Planning Commission meets in the Council Chambers on the *third Tuesday* of each month at 6:00 p.m., unless otherwise noticed.

**PC Agendas:** The Planning Commission Agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

**Questions:** Contact the City Clerk at (209) 883-4054





CITY OF HUGHSON  
**ECONOMIC DEVELOPMENT COMMITTEE MEETING**  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA

**AGENDA**  
**MONDAY, OCTOBER 27, 2014 - 5:30 P.M.**

**CALL TO ORDER:**

**ROLL CALL:**

Mayor Matt Beekman  
Councilmember George Carr  
Councilmember Jeramy Young  
Business Member Marie Assali  
Business Member Jim Duarte

Staff to be Present:

Raul L. Mendez, City Manager  
Jaylen French, Community Development Director  
Dominique Spinale, Assistant to the City Manager/City Clerk

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. NEW BUSINESS:**

- 2.1:** Approval of Minutes of the September 22, 2014 EDC Regular Meeting.
- 2.2:** Discuss and Consider Business Assistance for the Magnolia Farmhouse Market (2331 Charles Street @ Hughson Avenue).
- 2.3:** Update and Status of Past EDC Items (Shami Dogs, Dollar General, Drive Thru Windows for Restaurants Prohibition).

- 2.4:** Report on 2<sup>nd</sup> Annual San Joaquin River Valley Travel and Tourism Economic Summit.

**3. EDC COMMENTS:**

**ADJOURNMENT:**

**WAIVER WARNING**

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

**RULES FOR ADDRESSING CITY COUNCIL**

Members of the audience who wish to address the Economic Development Committee are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the Committee. **Filling out the card is voluntary.**

**AFFIDAVIT OF POSTING**

**DATE:** October 24, 2014      **TIME:** 5:00pm  
**NAME:** Dominique Spinale      **TITLE:** Assistant to City Manager/City Clerk

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT  
NOTIFICATION FOR THE CITY OF HUGHSON**

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- General Information:** The Economic Development Committee meets in the Council Chambers on the fourth Monday of each month at 5:30 p.m., unless otherwise noticed.
- EDC Agendas:** The Economic Development Committee agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.
- Questions:** Contact the City Clerk at (209) 883-4054